

# Journal of the House

---

**Tuesday, May 3, 2022**

At ten o'clock in the forenoon the Speaker called the House to order.

## **Devotional Exercises**

Devotional exercises were conducted by Pastor Leigh McCaffrey, Barre Congregational Church, Barre.

## **Pledge of Allegiance**

Page Jacob Law of Essex led the House in the Pledge of Allegiance.

## **Message from the Senate No. 61**

A message was received from the Senate by Mr. Marshall, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Governor has informed the Senate that on May 2, 2022, he returned without signature and *vetoed* a bill originating in the Senate of the following title:

**S. 286.** An act relating to amending various public pension and other postemployment benefits.

## **Text of Communication from Governor**

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **Senate Bill No. 286**, to the Senate is as follows:

“May 2, 2022

The Honorable John Bloomer, Jr.  
Secretary of the Senate  
115 State House  
Montpelier, VT 05633-5401

Dear Mr. Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning S.286, *An act relating to amending various public pension and other postemployment benefits*, without my signature because of my objections described herein.

Since the day after this bill was introduced, before it was voted out of a single committee, in either chamber of the General Assembly, I have been clear it does not include enough structural change to solve the enormous unfunded liability problems the State faces. I offered balanced solutions, which were disregarded.

It is unfortunate this veto will likely be easily overridden, not for me, but for Vermont taxpayers and State employees who will bear the burden in the future. I will acknowledge, this bill takes some positive steps, and the easiest thing for me to do would be to sign it, assure the public we solved the problem, and move on.

But given the scope of this problem and the risk it poses to the financial health of our state, I cannot bring myself to do that. It would be disingenuous because I know we could have done better.

The fact is, in several years – despite adding a quarter of a billion dollars in *additional* money (on top of the roughly \$400 million for our regular, required payment) from taxpayers – the state will be faced with the same unsustainable system we have today.

I won't be governor when those chickens come home to roost, and many of you will not be serving in your current roles, either. But the Legislature's unwillingness to question the deal reached between a handful of union and legislative representatives will come back to haunt our state in the not-too-distant future.

And when it does, we won't have the unprecedented level of federal funds and state surplus dollars at our disposal, and the fix will be tougher on both taxpayers and public employees.

Sincerely,

/s/Philip B. Scott  
Governor"

### **Bill Referred to Committee on Ways and Means**

#### **S. 181**

Senate bill, entitled

An act relating to authorizing miscellaneous regulatory authority for municipal governments

Appearing on the Action Calendar, and pursuant to House Rule 35(a), affecting the revenue of the State or materially affecting the revenues of one or more municipalities, was referred to the Committee on Ways and Means.

**Ceremonial Reading****H.C.R. 157**

House concurrent resolution honoring Vermont's correctional personnel and recognizing National Correctional Officers Week in Vermont

Offered by: Representatives Dolan of Essex, Anthony of Barre City, Arrison of Weathersfield, Black of Essex, Bluemle of Burlington, Bos-Lun of Westminster, Brownell of Pownal, Brumsted of Shelburne, Burditt of West Rutland, Campbell of St. Johnsbury, Coffey of Guilford, Emmons of Springfield, Gannon of Wilmington, Garofano of Essex, Gregoire of Fairfield, Hango of Berkshire, Harrison of Chittenden, Higley of Lowell, Houghton of Essex, Howard of Rutland City, Labor of Morgan, Laroche of Franklin, Lefebvre of Orange, Martel of Waterford, Masland of Thetford, McCoy of Poultney, Morgan, M. of Milton, Morrissey of Bennington, Murphy of Fairfax, Nicoll of Ludlow, Ode of Burlington, Page of Newport City, Scheu of Middlebury, Sims of Craftsbury, Squirrell of Underhill, Strong of Albany, Sullivan of Dorset, Taylor of Colchester, Toof of St. Albans Town, Walker of Swanton, White of Bethel, White of Hartford, Williams of Granby, Wood of Waterbury, and Yantachka of Charlotte

Having been adopted in concurrence on Friday, April 29, 2022 in accord with Joint Rule 16b, was read.

**Third Reading; Bill Passed in Concurrence  
With Proposal of Amendment;  
Rules Suspended; Bill Messaged to Senate Forthwith**

**S. 285**

Senate bill, entitled

An act relating to health care reform initiatives, data collection, and access to home- and community-based services

Was taken up, read the third time, and passed in concurrence with proposal of amendment.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

**Second Reading; Action on Bill Postponed**

**H. 742**

House bill, entitled

An act relating to approval of amendments to the charter of the Town of Milton

Was taken up, read the second time, and pending the reading of the report of the Committee on Government Operations, on motion of **Rep. Higley of Lowell**, action on the bill was postponed until later in the day.

**Second Reading; Bill Amended; Third Reading Ordered**

**H. 745**

**Rep. Lefebvre of Orange**, for the Committee on Government Operations, to which had been referred House bill, entitled

An act relating to the approval of the adoption of the charter of the Town of Montgomery

Reported in favor of its passage when amended by striking all after the enacting clause and inserting in lieu thereof the following:

**Sec. 1. CHARTER ADOPTION APPROVAL**

The General Assembly approves the adoption of the charter of the Town of Montgomery as set forth in this act. The voters approved the adoption of the charter on March 1, 2022.

Sec. 2. 24 App. V.S.A. chapter 129B is added to read:

CHAPTER 129B. TOWN OF MONTGOMERY

§ 1. STATEMENT OF PURPOSE

Under the authority granted by the General Assembly of the State of Vermont, this charter establishes certain guidelines with respect to organization and functioning of local Town government in the Town of Montgomery.

§ 2. GENERAL LAW; APPLICATION

Except when changed by the provisions of this charter, all provisions of the statutes of the State of Vermont relating to municipalities shall apply to the Town of Montgomery.

§ 3. LOCAL OPTIONS TAX

(a) The Selectboard is authorized to impose a one percent sales tax, a one percent meals and alcoholic beverages tax, and a one percent rooms tax upon the sales within the Town that are subject to the State of Vermont tax on sales, meals, alcoholic beverages, and rooms.

(b) A tax imposed under the authority of this section may be rescinded and shall be collected and administered pursuant to 24 V.S.A. § 138, provided that the Town shall:

(1) receive on a quarterly basis not less than 70 percent of the tax collected, less the per-return fee; and

(2) pay not more than 70 percent of the per-return fee.

(c) The tax to be paid to the Town shall be set aside in the Sewer Reserve Fund to assist in the repayment of debt obligations related to the construction of a Municipal Wastewater System in Montgomery Center and Village.

#### § 4. SEPARABILITY

If any provision of this charter is held invalid, the other provisions of the charter shall not be affected by that holding. If the application of the charter or any of its provisions to any person or circumstances is held invalid, the application of this charter and its provisions to other persons or circumstances shall not be affected by that holding.

#### § 5. AMENDMENT

The amendment of this charter shall be as provided by law.

#### Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

**Rep. Ancel of Calais**, for the Committee on Ways and Means, recommended that the bill ought to pass when amended as recommended by the Committee on Government Operations and when further amended as follows:

In Sec. 2, 24 App. V.S.A. chapter 163, in section 3, by adding a subsection (d) to read as follows:

(d) The taxes authorized by this section shall expire 90 days after the date that the Town has fully repaid the debt obligations related to the construction of the Municipal Wastewater System in Montgomery Center and Village.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, and the report of the Committee on Government Operations was amended as recommended by the Committee on Ways and Means. Report of the Committee on Government Operations, as amended, agreed to and third reading ordered.

**Second Reading; Proposal of Amendment Agreed to;  
Third Reading Ordered**

**S. 148**

**Rep. Dolan of Waitsfield**, for the Committee on Natural Resources, Fish, and Wildlife, to which had been referred Senate bill, entitled

An act relating to environmental justice in Vermont

Reported in favor of its passage in concurrence with proposal of amendment by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

The General Assembly finds that:

(1) According to American Journal of Public Health studies published in 2014 and 2018 and affirmed by decades of research, Black, Indigenous, and Persons of Color (BIPOC) and individuals with low income are disproportionately exposed to environmental hazards and unsafe housing, facing higher levels of air and water pollution, mold, lead, and pests.

(2) The cumulative impacts of environmental harms disproportionately and adversely impact the health of BIPOC and communities with low income, with climate change functioning as a threat multiplier. These disproportionate adverse impacts are exacerbated by lack of access to affordable energy, healthy food, green spaces, and other environmental benefits.

(3) Since 1994, Executive Order 12898 has required federal agencies to make achieving environmental justice part of their mission by identifying and addressing disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and populations with low incomes in the United States.

(4) According to the Centers for Disease Control and Prevention, 30 percent of Vermont towns with high town household poverty have limited access to grocery stores. In addition, a study conducted at the University of Vermont showed that in Vermont, BIPOC individuals were twice as likely to have trouble affording fresh food and to go hungry in a month than white individuals.

(5) Inadequate transportation impedes job access, narrowing the scope of jobs available to individuals with low income and potentially impacting job performance.

(6) In 2020, the Center for American Progress found that 76 percent of BIPOC individuals in Vermont live in “nature deprived” census tracts with a

higher proportion of natural areas lost to human activities than the Vermont median. In contrast, 27 percent of white individuals live in these areas.

(7) The U.S. Centers for Disease Control and Prevention states that systemic health and social inequities disproportionately increases the risk of racial and ethnic minority groups becoming infected by and dying from COVID-19.

(8) According to the Vermont Department of Health, inequities in access to and quality of health care, employment, and housing have contributed to disproportionately high rates of COVID-19 among BIPOC Vermonters.

(9) An analysis by University of Vermont researchers found that mobile homes are more likely than permanent structures to be located in a flood hazard area. During Tropical Storm Irene, mobile parks and over 561 mobile homes in Vermont were damaged or destroyed. Mobile homes make up 7.2 percent of all housing units in Vermont and were approximately 40 percent of sites affected by Tropical Storm Irene.

(10) A University of Vermont study reports that BIPOC individuals were seven times more likely to have gone without heat in the past year, over two times more likely to have trouble affording electricity, and seven times less likely to own a solar panel than white Vermonters.

(11) The U.S. Environmental Protection Agency recognized Vermont's deficiencies in addressing environmental justice concerns related to legacy mining and mobile home park habitability, providing grants for these projects in 1998 and 2005.

(12) Vermont State agencies receiving federal funds are subject to the antidiscrimination requirements of Title VI of the Civil Rights Act of 1964.

(13) In response to the documented inadequacy of state and federal environmental and land use laws to protect vulnerable communities, increasing numbers of states have adopted formal environmental justice laws and policies.

(14) At least 17 states have developed mapping tools to identify environmentally overburdened communities and environmental health disparities.

(15) The State of Vermont does not currently have a State-managed mapping tool that clearly identifies environmentally overburdened communities.

(16) The 1991 Principles of Environmental Justice adopted by The First National People of Color Environmental Leadership Summit demand the right of all individuals to participate as equal partners at every level of decision

making, including needs assessment, planning, implementation, enforcement, and evaluation.

(17) Article VII of the Vermont Constitution establishes the government as a vehicle for the common benefit, protection, and security of Vermonters and not for the particular emolument or advantage of any single set of persons who are only a part of that community. This, coupled with Article I's guarantee of equal rights to enjoying life, liberty, and safety, and Article IV's assurance of timely justice for all, encourages political officials to identify how particular communities may be unequally burdened or receive unequal protection under the law due to race, income, or geographic location.

(18) Lack of a clear environmental justice policy has resulted in a piecemeal approach to understanding and addressing environmental justice in Vermont and creates a barrier to establishing clear definitions, metrics, and strategies to ensure meaningful engagement and more equitable distribution of environmental benefits and burdens.

(19) It is the State of Vermont's responsibility to pursue environmental justice for its residents and to ensure that its agencies do not contribute to unfair distribution of environmental benefits to or environmental burdens on low-income, limited-English proficient, and BIPOC communities.

Sec. 2. 3 V.S.A. chapter 72 is added to read:

#### CHAPTER 72. ENVIRONMENTAL JUSTICE

##### § 6001. PURPOSE

The purpose of this chapter is to identify, reduce, and eliminate environmental health disparities to improve the health and well-being of all Vermont residents.

##### § 6002. DEFINITIONS

As used in this chapter:

(1) "Environmental benefits" means the assets and services that enhance the capability of communities and individuals to function and flourish in society. Examples of environmental benefits include access to a healthy environment and clean natural resources, including air, water, land, green spaces, constructed playgrounds, and other outdoor recreational facilities and venues; affordable clean renewable energy sources; public transportation; fulfilling and dignified green jobs; healthy homes and buildings; health care; nutritious food; Indigenous food and cultural resources; environmental enforcement; and training and funding disbursed or administered by governmental agencies.



(2) “Environmental burdens” means any significant impact to clean air, water, and land, including any destruction, damage, or impairment of natural resources resulting from intentional or reasonably foreseeable causes. Examples of environmental burdens include climate change impacts; air and water pollution; improper sewage disposal; improper handling of solid wastes and other noxious substances; excessive noise; activities that limit access to green spaces, nutritious food, Indigenous food or cultural resources, or constructed outdoor playgrounds and other recreational facilities and venues; inadequate remediation of pollution; reduction of groundwater levels; increased flooding or stormwater flows; home and building health hazards, including lead paint, lead plumbing, asbestos, and mold; and damage to inland waterways and waterbodies, wetlands, forests, green spaces, or constructed playgrounds or other outdoor recreational facilities and venues from private, industrial, commercial, and government operations or other activities that contaminate or alter the quality of the environment and pose a risk to public health.

(3) “Environmental justice” means all individuals are afforded equitable access to and distribution of environmental benefits; equitable distribution of environmental burdens; and fair and equitable treatment and meaningful participation in decision-making processes, including the development, implementation, and enforcement of environmental laws, regulations, and policies. Environmental justice recognizes the particular needs of individuals of every race, color, income, class, ability status, gender identity, sexual orientation, national origin, ethnicity or ancestry, religious belief, or English language proficiency level. Environmental justice redresses structural and institutional racism, colonialism, and other systems of oppression that result in the marginalization, degradation, disinvestment, and neglect of Black, Indigenous, and Persons of Color. Environmental justice requires providing a proportional amount of resources for community revitalization, ecological restoration, resilience planning, and a just recovery to communities most affected by environmental burdens and natural disasters.

(4) “Environmental justice focus population” means any census block group in which:

(A) the annual median household income is not more than 80 percent of the State median household income;

(B) Persons of Color and Indigenous Peoples comprise at least six percent or more of the population; or

(C) at least one percent or more of households have limited English proficiency.

(5) “Limited English proficiency” means that a household does not have a member 14 years or older who speaks English “very well” as defined by the U.S. Census Bureau.

(6) “Meaningful participation” means that all individuals have the opportunity to participate in energy, climate change, and environmental decision making. Examples include needs assessments, planning, implementation, permitting, compliance and enforcement, and evaluation. Meaningful participation also integrates diverse knowledge systems, histories, traditions, languages, and cultures of Indigenous communities in decision-making processes. It requires that communities are enabled and administratively assisted to participate fully through education and training. Meaningful participation requires the State to operate in a transparent manner with regard to opportunities for community input and also encourages the development of environmental, energy, and climate change stewardship.

#### § 6003. ENVIRONMENTAL JUSTICE STATE POLICY

It is the policy of the State of Vermont that no segment of the population of the State should, because of its racial, cultural, or economic makeup, bear a disproportionate share of environmental burdens or be denied an equitable share of environmental benefits. It is further the policy of the State of Vermont to provide the opportunity for the meaningful participation of all individuals, with particular attention to environmental justice focus populations, in the development, implementation, or enforcement of any law, regulation, or policy.

#### § 6004. IMPLEMENTATION OF STATE POLICY

(a) As used in this chapter, “covered agencies” means the following State agencies, departments, and bodies: the Agencies of Natural Resources, of Transportation, of Commerce and Community Development, of Agriculture, Food and Markets, and of Education; the Public Utility Commission; the Natural Resources Board; and the Departments of Health, of Public Safety, and of Public Service.

(b) The covered agencies shall consider cumulative environmental burdens, as defined by rule pursuant to subsection 6005(a) of this title, and access to environmental benefits when making decisions about the environment, energy, climate, and public health projects; facilities and infrastructure; and associated funding.

(c) Each of the covered agencies shall create and adopt on or before July 1, 2025 a community engagement plan that describes how the agency will engage with environmental justice focus populations as it evaluates new and existing activities and programs. Community engagement plans shall align with the

core principles developed by the Interagency Environmental Justice Committee pursuant to subdivision 6006(c)(2)(B) of this title and take into consideration the recommendations of the Environmental Justice Advisory Council pursuant to subdivision 6006(c)(1)(B) of this title. Each plan shall describe how the agency plans to provide meaningful participation in compliance with Title VI of the Civil Rights Act of 1964.

(d) The covered agencies shall submit an annual summary beginning on January 15, 2024 and annually thereafter to the Environmental Justice Advisory Council, detailing all complaints alleging environmental justice issues or Title VI violations and any agency action taken to resolve the complaints. The Advisory Council shall provide any recommendations concerning those reports within 60 days after receipt of the complaint summaries. Agencies shall consider the recommendations of the Advisory Council pursuant to subdivision 6006(c)(1)(E) of this title and substantively respond in writing if an agency chooses not to implement any of the recommendations, within 90 days after receipt of the recommendations.

(e) The Agency of Natural Resources, in consultation with the Environmental Justice Advisory Council and the Interagency Environmental Justice Committee, shall review the definitions contained in section 6002 of this title at least every five years and recommend revisions to the General Assembly to ensure the definition achieves the Environmental Justice State Policy.

(f) The Agency of Natural Resources, in consultation with the Interagency Environmental Justice Committee and the Environmental Justice Advisory Council, shall issue guidance on how the covered agencies shall determine which investments provide environmental benefits to environmental justice focus populations on or before September 15, 2023. A draft version of the guidance shall be released for a 40-day public comment period before being finalized.

(g)(1) On or before February 15, 2024, the covered agencies shall, in accordance with the guidance document developed by the Agency of Natural Resources pursuant to subsection (f) of this section, review the past three years and generate baseline spending reports that include:

(A) where investments were made, if any, and which geographic areas, at the municipal level and census block group, where practicable, received environmental benefits from those investments; and

(B) a description and quantification of the environmental benefits as an outcome of the investment.

(2) The covered agencies shall publicly post the baseline spending reports on their respective websites.

(h) On or before July 1, 2024, it shall be the goal of the covered agencies to direct investments proportionately in environmental justice focus populations.

(i)(1) Beginning on January 15, 2026, and annually thereafter, the covered agencies shall either integrate the following information into existing annual spending reports or issue annual spending reports that include:

(A) where investments were made and which geographic areas, at the municipal level and census block group, where practicable, received environmental benefits from those investments; and

(B) the percentage of overall environmental benefits from those investments provided to environmental justice focus populations.

(2) The covered agencies shall publicly post the annual spending reports on their respective websites.

(j) Beginning on January 15, 2025, the covered agencies shall each issue and publicly post an annual report summarizing all actions taken to incorporate environmental justice into its policies or determinations, rulemaking, permit proceedings, or project review.

#### § 6005. RULEMAKING

(a) On or before July 1, 2025, the Agency of Natural Resources, in consultation with the Environmental Justice Advisory Council and the Interagency Environmental Justice Committee, shall adopt rules to:

(1) define cumulative environmental burdens;

(2) implement consideration of cumulative environmental burdens within the Agency of Natural Resources; and

(3) inform how the public and the covered agencies implement the consideration of cumulative environmental burdens and use the environmental justice mapping tool.

(b) On or before July 1, 2026 and as appropriate thereafter, the covered agencies, in consultation with the Environmental Justice Advisory Council, shall adopt or amend policies and procedures, plans, guidance, and rules, where applicable, to implement this chapter.

(c)(1) Prior to drafting new rules required by this chapter, agencies shall consult with the Environmental Justice Advisory Council to discuss the scope and proposed content of rules to be developed. Agencies shall also submit

draft rulemaking concepts to the Advisory Council for review and comment. Any proposed rule and draft Administrative Procedure Act filing forms shall be provided to the Advisory Council not less than 45 days prior to submitting the proposed rule or rules to the Interagency Committee on Administrative Rules (ICAR).

(2) The Advisory Council shall vote and record individual members' support or objection to any proposed rule before it is submitted to ICAR. The Advisory Council shall submit the results of their vote to both ICAR and the Legislative Committee on Administrative Rules (LCAR).

§ 6006. ENVIRONMENTAL JUSTICE ADVISORY COUNCIL AND  
INTERAGENCY ENVIRONMENTAL JUSTICE COMMITTEE

(a) Advisory Council and Interagency Committee.

(1) There is created:

(A) the Environmental Justice Advisory Council (Advisory Council) to provide independent advice and recommendations to State agencies and the General Assembly on matters relating to environmental justice, including the integration of environmental justice principles into State programs, policies, regulations, legislation, and activities; and

(B) the Interagency Environmental Justice Committee (Interagency Committee) to guide and coordinate State agency implementation of the Environmental Justice State Policy and provide recommendations to the General Assembly for amending the definitions and protections set forth in this chapter.

(2) Appointments to the groups created in this subsection shall be made on or before December 15, 2022.

(3) Both the Advisory Council and the Interagency Committee shall consider and incorporate the Guiding Principles for a Just Transition developed by the Just Transitions Subcommittee of the Vermont Climate Council in their work.

(b) Meetings. The Advisory Council and Interagency Committee shall each meet not more than nine times per year, with at least four meetings occurring jointly. Meetings may be held in person, remotely, or in a hybrid format to facilitate maximum participation and shall be recorded and publicly posted on the Secretary's website

(c) Duties.

(1) The Advisory Council shall:

(A) advise State agencies on environmental justice issues and on how to incorporate environmental justice into agency procedures and decision making as required under subsection 6004(b) of this title and evaluate the potential for environmental burdens or disproportionate impacts on environmental justice focus populations as a result of State actions and the potential for environmental benefits to environmental justice focus populations;

(B) advise State agencies in the development of community engagement plans;

(C) advise State agencies on the use of the environmental justice mapping tool established pursuant to section 6008 of this title and on the enhancement of meaningful participation, reduction of environmental burdens, and equitable distribution of environmental benefits;

(D) review and provide feedback to the relevant State agency, pursuant to subsection 6005(c) of this title, on any proposed rules for implementing this chapter; and

(E) receive and review annual State agency summaries of complaints alleging environmental justice issues, including Title VI complaints, and suggest options or alternatives to State agencies for the resolution of systemic issues raised in or by the complaints.

(2) The Interagency Committee shall:

(A) consult with the Agency of Natural Resources in the development of the guidance document required by subsection 6004(g) of this title on how to determine which investments provide environmental benefits to environmental justice focus populations; and

(B) on or before July 1, 2023, develop, in consultation with the Agency of Natural Resources and the Environmental Justice Advisory Council, a set of core principles to guide and coordinate the development of the State agency community engagement plans required under subsection 6004(d) of this title.

(3) The Advisory Council and the Interagency Committee shall jointly:

(A) consider and recommend to the General Assembly, on or before December 1, 2023, amendments to the terminology, thresholds, and criteria of the definition of environmental justice focus populations, including whether to include populations more likely to be at higher risk for poor health outcomes in response to environmental burdens; and

(B) examine existing data and studies on environmental justice and consult with State, federal, and local agencies and affected communities

regarding the impact of current statutes, regulations, and policies on the achievement of environmental justice.

(d) Membership.

(1) Advisory Council. Each member of the Advisory Council shall be well informed regarding environmental justice principles and committed to achieving environmental justice in Vermont and working collaboratively with other members of the Council. To the greatest extent practicable, Advisory Council members shall represent diversity in race, ethnicity, age, gender, urban and rural areas, and different regions of the State. The Advisory Council shall consist of the following 11 members, with a goal to have more than 50 percent residing in environmental justice focus populations:

(A) the Director of Racial Equity or designee;

(B) the following members appointed by the Committee on Committees:

(i) one representative of municipal government;

(ii) one representative of a social justice organization;

(iii) one representative of mobile home park residents;

(C) the following members appointed by the Speaker of the House:

(i) one representative who resides in a census block group that is designated as an environmental justice focus population;

(ii) one representative of an organization working on food security issues;

(iii) one representative of immigrant communities in Vermont;

(iv) one representative of a statewide environmental organization;

(D) one representative of a State-recognized Native American Indian tribe, recommended and appointed by the Vermont Commission on Native American Affairs;

(E) the Executive Director of the Vermont Housing and Conservation Board or designee; and

(F) the Chair of the Natural Resources Conservation Council or designee.

(2) Interagency Committee. The Interagency Committee shall consist of the following 11 members:

(A) the Secretary of Education or designee;

- (B) the Secretary of Natural Resources or designee;
- (C) the Secretary of Transportation or designee;
- (D) the Commissioner of Housing and Community Development or designee;
- (E) the Secretary of Agriculture, Food and Markets or designee;
- (F) the Commissioner of Health or designee;
- (G) the Director of Emergency Management or designee;
- (H) the Commissioner of Public Service or designee;
- (I) the Director of Racial Equity or designee;
- (J) the Chair of the Natural Resources Board or designee; and
- (K) the Chair of the Public Utility Commission or designee.

(3) The Advisory Council and the Interagency Committee may each elect two co-chairs.

(4) After initial appointments, all appointed members of the Advisory Council shall serve six-year terms and serve until a successor is appointed. The initial terms shall be staggered so that one third of the appointed members shall serve a two-year term, another third of the appointed members shall serve a four-year term, and the remaining members shall be appointed to a six-year term.

(5) Vacancies of the Advisory Council shall be appointed in the same manner as original appointments.

(6) The Advisory Council shall have the administrative, technical, and legal assistance of the Agency of Natural Resources.

(7) Members of the Advisory Council who are neither State nor municipal employees and who are not otherwise compensated by their employer shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010. Members of the Advisory Council may also receive additional compensation up to \$150.00 per meeting as available in the Environmental Justice Advisory Council Special Fund established in section 6007 of this title.

#### § 6007. ENVIRONMENTAL JUSTICE ADVISORY COUNCIL SPECIAL FUND

(a) There is established the Environmental Justice Advisory Council Special Fund that shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5.



(b) The Fund shall be administered by the Agency of Natural Resources and shall consist of:

(1) any monies appropriated to it; and

(2) any gifts, donations, and grants to it by the federal government, a political subdivision of the State, or a 501(c)(3) charitable organization.

(c) The funds shall be used to increase per diem amounts to eligible members the Environmental Justice Advisory Council, so that members may receive up to \$150.00 of additional compensation per meeting. Disbursements shall be made by the Secretary of Natural Resources.

#### § 6008. ENVIRONMENTAL JUSTICE MAPPING TOOL

(a) The Agency of Natural Resources shall create and maintain the State environmental justice mapping tool. The Agency, in consultation with the Environmental Justice Advisory Council and the Interagency Environmental Justice Committee, shall determine indices and criteria to be included in the State mapping tool to depict environmental justice focus populations and measure environmental burdens at the smallest geographic level practicable.

(b) The Agency of Natural Resources may cooperate and contract with other states or private organizations when developing the mapping tool. The mapping tool may incorporate federal environmental justice mapping tools, such as EJSCREEN, as well as existing State mapping tools such as the Vermont Social Vulnerability Index.

(c) On or before January 1, 2025, the mapping tool shall be available for use by the public as well as by the State government.

#### Sec. 3. SPENDING REPORT

On or before December 15, 2025, the Agency of Natural Resources shall submit a report to the General Assembly describing whether the baseline spending reports completed pursuant to 3 V.S.A. § 6004(g) of this section indicate if any municipalities or portions of municipalities are routinely underserved with respect to environmental benefits, taking into consideration whether those areas receive, averaged across three years, a significantly lower percentage of environmental benefits from State investments as compared to other municipalities or portions of municipalities in the State. This report shall include a recommendation as to whether a statutory definition of “underserved community” and any other revisions to this chapter are necessary to best carry out the Environmental Justice State Policy.

**Sec. 4. APPROPRIATIONS**

(a) There is appropriated the sum of \$500,000.00 in fiscal year 2023 from the General Fund to the Agency of Natural Resources for the cost of developing the mapping tool required in 3 V.S.A. § 6008 including any necessary community outreach associated with calibrating and improving the mapping tool.

(b) There is appropriated the sum of \$200,000.00 in fiscal year 2023 from the General Fund to the Agency of Natural Resources to:

(1) convert one 0.5 position to one full-time Civil Rights and Nondiscrimination Compliance Officer; and

(2) fund two positions to assist in the implementation of the environmental justice policy and support the Environmental Justice Advisory Council. This shall fund an existing position in the Agency and a second position which the Agency is authorized to repurpose from an existing vacant position.

**Sec. 5. EFFECTIVE DATE**

This act shall take effect on passage.

**Rep. Feltus of Lyndon**, for the Committee on Appropriations, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Natural Resources, Fish, and Wildlife and when further amended as follows:

First: In Sec. 2, 3 V.S.A. chapter 72, in section 6006, in subsection (b), by striking out the word “nine” and inserting in lieu thereof “eight”

Second: In Sec. 2, 3 V.S.A. chapter 72, in section 6006, in subdivision (d)(7), by striking out the second sentence in its entirety.

Third: In Sec. 2, 3 V.S.A. chapter 72, by striking out section 6007 in its entirety and by renumbering the remaining section to be numerically correct.

Fourth: By striking out Sec. 4, appropriations, in its entirety and inserting in lieu thereof the following:

**Sec. 4. APPROPRIATIONS**

(a) There is appropriated the sum of \$500,000.00 in fiscal year 2023 from the General Fund to the Agency of Natural Resources for the cost of developing the mapping tool required in 3 V.S.A. § 6007 and for conducting community outreach associated with the work of the Environmental Justice Advisory Council.

(b) There is appropriated the sum of \$250,000.00 in fiscal year 2023 from the General Fund to the Agency of Natural Resources for the following positions:

(1) one full-time Civil Rights Compliance Director; and

(2) two new full-time positions to assist in the implementation of the Environmental Justice State Policy and support the Environmental Justice Advisory Council, one to be hired after July 1, 2022 and one to be hired after December 31, 2022.

The bill having appeared on the Notice Calendar was taken up, read the second time, and the report of the Committee on Natural Resources, Fish, and Wildlife was amended as recommended by the Committee on Appropriations.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Natural Resources, Fish, and Wildlife, as amended?, **Rep. Dolan of Waitsfield** 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 propose to the Senate to amend the bill as recommended by the Committee on Natural Resources, Fish, and Wildlife, as amended?, was decided in the affirmative. Yeas, 109. Nays, 31.

Those who voted in the affirmative are:

Ancel of Calais	Feltus of Lyndon	Noyes of Wolcott
Anthony of Barre City	Gannon of Wilmington	O'Brien of Tunbridge
Arrison of Weathersfield	Garofano of Essex	Ode of Burlington
Austin of Colchester	Goldman of Rockingham	Pajala of Londonderry
Bartholomew of Hartland	Grad of Moretown	Partridge of Windham
Beck of St. Johnsbury	Harrison of Chittenden	Patt of Worcester
Birong of Vergennes	Hooper of Montpelier	Pearl of Danville
Black of Essex	Hooper of Randolph	Pugh of South Burlington
Bluemle of Burlington	Houghton of Essex	Rachelson of Burlington
Bock of Chester	Howard of Rutland City	Rogers of Waterville
Bongartz of Manchester	James of Manchester	Satcowitz of Randolph
Bos-Lun of Westminster	Jerome of Brandon	Scheu of Middlebury
Brady of Williston	Jessup of Middlesex	Scheuermann of Stowe
Briglin of Thetford	Kascenska of Burke	Sheldon of Middlebury
Brown of Richmond	Killackey of South Burlington	Sibilia of Dover
Brownell of Pownal	Kimbell of Woodstock	Sims of Craftsbury
Brumsted of Shelburne	Kitzmiller of Montpelier	Small of Winooski
Burke of Brattleboro	Kornheiser of Brattleboro	Squirrell of Underhill
Burrows of West Windsor	LaLonde of South	Stebbins of Burlington
Campbell of St. Johnsbury	Burlington	Stevens of Waterbury
Chase of Colchester	Lanpher of Vergennes	Sullivan of Dorset
Christie of Hartford *	Lefebvre of Newark	Surprenant of Barnard
Cina of Burlington	Long of Newfane	Taylor of Colchester

Coffey of Guilford	Masland of Thetford	Till of Jericho
Colston of Winooski	Mattos of Milton	Toleno of Brattleboro
Conlon of Cornwall	McCarthy of St. Albans City	Townsend of South
Copeland Hanzas of	McCullough of Williston	Burlington
Bradford	McFaun of Barre Town	Troiano of Stannard
Corcoran of Bennington	Morgan, L. of Milton	Vyhovsky of Essex
Cordes of Lincoln	Morgan, M. of Milton	Walz of Barre City
Dolan of Essex	Morris of Springfield	Webb of Shelburne
Dolan of Waitsfield *	Mrowicki of Putney	White of Bethel
Donahue of Northfield	Mulvaney-Stanak of	White of Hartford
Donnally of Hyde Park	Burlington	Whitman of Bennington
Durfee of Shaftsbury	Murphy of Fairfax	Wood of Waterbury
Elder of Starksboro	Nicoll of Ludlow	Yacovone of Morristown
Emmons of Springfield	Nigro of Bennington	Yantachka of Charlotte
Fagan of Rutland City	Notte of Rutland City	

Those who voted in the negative are:

Achey of Middletown	Higley of Lowell	Norris of Shoreham
Springs	Labor of Morgan	Page of Newport City
Brennan of Colchester	LaClair of Barre Town	Parsons of Newbury
Canfield of Fair Haven	Laroche of Franklin	Peterson of Clarendon
Cupoli of Rutland City	Lefebvre of Orange	Rosenquist of Georgia
Dickinson of St. Albans	Leffler of Enosburgh	Shaw of Pittsford
Town	Marcotte of Coventry	Smith of Derby
Goslant of Northfield	Martel of Waterford	Strong of Albany
Graham of Williamstown	McCoy of Poultney	Toof of St. Albans Town
Hango of Berkshire	Morrissey of Bennington	Walker of Swanton
Helm of Fair Haven	Norris of Sheldon	Williams of Granby

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

Burditt of West Rutland	Hooper of Burlington	Palasik of Milton
Colburn of Burlington	Lippert of Hinesburg	Smith of New Haven
Gregoire of Fairfield	McCormack of Burlington	Terenzini of Rutland Town

**Rep. Christie of Hartford** explained his vote as follows:

“Madam Speaker:

I voted yes for S.148 today because it clearly outlined our collective resolve to provide our Constitutional obligations to all Vermonters.”

**Rep. Dolan of Waitsfield** explained her vote as follows:

“Madam Speaker:

I support S.148, Vermont's environmental justice bill. The bill supports investments for our under-served communities, strengthens community engagement, improves collaboration among State agencies, and creates a

Vermont-specific mapping tool to visualize environmental impacts and aid in decision making. The bill will go a long way to improving the health and welfare of many Vermonters.”

Thereupon, third reading was ordered.

**Consideration Resumed; Bill Amended; Third Reading Ordered**

**H. 742**

Consideration resumed on House bill, entitled

An act relating to approval of amendments to the charter of the Town of Milton

**Rep. Higley of Lowell**, for the Committee on Government Operations, reported in favor of its passage when amended as follows:

First: In Sec. 2, 24 App. V.S.A. chapter 129, by striking out section 508 in its entirety and inserting in lieu thereof a new section 508 to read as follows:

§ 508. SELECTBOARD POLICY

The Town Manager shall prepare and submit to the Selectboard proposals for Selectboard policies. The Town Manager may have the assistance of the Town Attorney and shall have the authority to request a committee of citizens to assist in the preparation of any proposals. Policies shall be generally applicable to Town government and shall be in writing, codified, and made available to the public. Policies shall be adopted by the Selectboard at regular or special Selectboard meetings. The Selectboard shall give notice of its intent to adopt a policy stating the substance of the proposed policy at least 10 days prior to its adoption.

Second: In Sec. 2, 24 App. V.S.A. chapter 129, in section 607, following the fifth sentence, by striking out “Policies shall be reviewed and readopted biennially.”

Third: In Sec. 2, 24 App. V.S.A. chapter 129, by striking out section 807 in its entirety.

The report of the Committee on Government Operations was agreed to, and third reading ordered.

**Second Reading; Proposal of Amendment Agreed to;  
Third Reading Ordered**

**S. 258**

**Rep. Pearl of Danville**, for the Committee on Agriculture and Forestry, to which had been referred Senate bill, entitled

An act relating to agricultural water quality, enforcement, and dairy farming

Reported in favor of its passage in concurrence with proposal of amendment as follows:

First: In Sec. 6, 6 V.S.A. § 4828, in subsection (c), after “separation, or treatment; and before “and projects managed by nonprofit organizations” by inserting “equipment to be used to achieve the most significant or cost-effective benefits that advance the purposes of this section, including by reducing nitrogen runoff,”

Second: By striking out Sec. 10, effective date, in its entirety and inserting in lieu thereof new Secs. 10–13 to read as follows:

Sec. 10. 6 V.S.A. § 4802 is amended to read:

§ 4802. DEFINITIONS

As used in this chapter:

\* \* \*

(2) “Farming” has the same meaning as used in 10 V.S.A. § 6001(22).

(3) “Good standing” means a participant in a program administered under this chapter:

(A) does not have an active enforcement violation that has reached a final order with the Secretary; and

(B) is in compliance with all terms of a current grant agreement or contract with the Agency.

\* \* \*

(10) “Agricultural activities” means the operation and management of an entity engaged in farming, including all those activities defined as “farming” in this chapter, “agricultural activity” in 12 V.S.A. § 5752, and all of the following:

(A) selling agricultural products at roadside stands or farm markets;

(B) the generation of noise, odors, dust, fumes, and other associated conditions;

(C) the composting of material principally produced by the farm or to be used at least in part on the farm;

(D) the ditching and subsurface drainage of farm fields and the construction of farm ponds;

(E) the handling of livestock wastes and by-products;

(F) the operation of farm machinery and equipment, including irrigation and drainage systems, pumps, and on-farm grain dryers;

(G) the movement of farm vehicles, machinery, equipment, and products and associated inputs on the roadway;

(H) field preparation, crop protection, and ground and aerial seeding and spraying;

(I) the on-site storage and application of agricultural inputs, including lime, fertilizer, organic materials, conditioners, and pesticides;

(J) the use of alternative pest management techniques;

(K) the management, storage, transport, utilization, and application of farm by-products, including manure or agricultural wastes;

(L) the expansion of farming practices or agricultural activities on a farm, or the change or conversion of farming practices of agricultural activities to other farming practices of agricultural activities on a farm; and

(M) the employment, use, and housing of farm labor.

Sec. 11. 6 V.S.A. § 4818 is added to read:

§ 4818. FARMING; SCOPE OF ACTIVITIES

(a) As used to determine the scope of nuisance protection in 12 V.S.A. chapter 195, “agricultural activities” shall include “farming” as defined in this title.

(b) For purposes of the application of 12 V.S.A. § 5753, all “agricultural activities” defined in this chapter, subject to the limitations and requirements set forth in 12 V.S.A. § 5753, are entitled to the rebuttable presumption that they do not constitute a nuisance.

Sec. 12. 12 V.S.A. § 5752 is amended to read:

§ 5752. DEFINITIONS

For the purpose of this chapter, “agricultural activity” means, but is not limited to:

(1) the cultivation or other use of land for producing food, fiber, Christmas trees, maple sap, or horticultural and orchard crops; the raising, feeding, or management of domestic animals as defined in 6 V.S.A. § 1151 or bees; the operation of greenhouses; the production of maple syrup; the on-site storage, preparation, and sale of agricultural products principally produced on the farm; and the on-site production of fuel or power from agricultural products or wastes principally produced on the farm;

(2) the preparation, tilling, fertilization, planting, protection, irrigation, and harvesting of crops; the composting of material principally produced by the farm or to be used at least in part on the farm; the ditching and subsurface drainage of farm fields and the construction of farm ponds; the handling of livestock wastes and by-products; and the on-site storage and application of agricultural inputs, including lime, fertilizer, and pesticides;

(3) “farming” as defined in 10 V.S.A. § 6001; and

(4) “agricultural” activities as defined in 6 V.S.A. § 4802.

#### Sec. 13. EFFECTIVE DATE

This act shall take effect on passage.

**Rep. Toleno of Brattleboro**, for the Committee on Appropriations, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Agriculture and Forestry and when further amended as follows:

By striking out Sec. 9, extension of Task Force to Revitalize the Vermont Dairy Industry, in its entirety and inserting in lieu thereof a new Sec. 9 to read as follows:

#### Sec. 9. EXTENSION OF TASK FORCE TO REVITALIZE THE VERMONT DAIRY INDUSTRY

(a)(1) Notwithstanding 2020 Acts and Resolves No. 129, Sec. 31(c)(6), the Task Force to Revitalize the Vermont Dairy Industry shall continue to exist and retain the authority granted to it in 2020 Acts and Resolves No. 129, Sec. 31 until February 1, 2023.

(2) The Task Force shall consist of:

(A) two members of the House of Representatives, appointed by the Speaker of the House;

(B) two members of the Senate, appointed by the Committee on Committees; and

(C) four nonlegislators with experience or knowledge of the Vermont



dairy industry, two of whom shall be appointed by the Speaker of the House and two of whom shall be appointed by the Committee on Committees.

(b)(1) For attendance of a meeting of the Task Force to Revitalize the Vermont Dairy Industry during adjournment of the General Assembly between the effective date of this act and February 1, 2023, a legislative member of the Task Force shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than 10 meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Task Force that are not legislative members shall be entitled to both per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 10 meetings. These payments shall be made from monies appropriated to the Agency of Agriculture, Food and Markets.

The bill having appeared on the Notice Calendar was taken up, read the second time, and the report of the Committee on Agriculture and Forestry was agreed to. Thereafter, the House's proposal of amendment was amended as recommended by the Committee on Appropriations and third reading was ordered.

**Second Reading; Proposal of Amendment Agreed to;  
Third Reading Ordered**

**S. 261**

**Rep. Elder of Starksboro**, for the Committee on Ways and Means, to which had been referred Senate bill, entitled

An act relating to municipal retention of property tax collections

Reported in favor of its passage in concurrence with proposal of amendment as follows:

By striking out Sec. 2, effective date, in its entirety, and inserting in lieu thereof the following:

Sec. 2. 32 V.S.A. § 5412(e) is amended to read:

(e) A reduction made under this section shall be an amount equal to the loss in education grand list value multiplied by the tax rate applicable to the subject property in the year the request is submitted. However, the total amount for all reductions made under this section in one year shall not exceed ~~\$100,000.00~~ \$1,000,000.00. If total reductions for a calendar year would exceed this amount, the Director shall instead prorate the reductions

proportionally among all municipalities eligible for a reduction so that total reductions equal ~~\$100,000.00~~ \$1,000,000.00.

Sec. 3. 32 V.S.A. § 5413 is added to read:

§ 5413. STATE APPRAISAL AND LITIGATION ASSISTANCE  
PROGRAM

(a) A State appraisal and litigation assistance program shall be created within the Division of Property Valuation and Review of the Department of Taxes to assist municipalities with the valuation of complex commercial or other unique properties within a municipality's jurisdiction and to assist with any appeals arising from those valuations. The Commissioner of Taxes may contract with one or more commercial appraisers to provide State appraisal and litigation assistance to municipalities under this section. The Commissioner may adopt rules to administer the provisions of this section.

(b) The Commissioner shall:

(1) determine the conditions for a property to be eligible for State assistance, including the grand list value or category of the property or other relevant factors as determined by the Commissioner; and

(2) provide a process by which a municipality may apply for assistance under this section for one or more properties.

(c) Any municipality assisted under this section shall be considered to have followed best practices pursuant to subdivision 5412(a)(1)(D) of this title.

Sec. 4. COST ESTIMATE; NEW STATE PROGRAM

On or before January 15, 2023, the Commissioner of Taxes shall submit a cost estimate for the creation of a new State appraisal and litigation assistance program within the Division of Property Valuation and Review of the Department of Taxes to the House Committees on Appropriations and on Ways and Means and the Senate Committees on Appropriations and on Finance. The cost estimate under this section shall include the upfront and ongoing operating costs required to create, implement, and maintain a new program, including contracting with one or more commercial appraisers to provide State assistance to municipalities.

Sec. 5. 32 V.S.A. § 4461(a) is amended to read:

(a) A taxpayer or the selectboard members of a town aggrieved by a decision of the board of civil authority under subchapter 1 of this chapter may appeal the decision of the board to either the Director or the Superior Court of the county in which the property is located. The appeal to the Superior Court shall be heard without a jury. The appeal to either the Director or the Superior

Court shall be commenced by filing a notice of appeal pursuant to Rule 74 of the Vermont Rules of Civil Procedure within 30 days after entry of the decision of the board of civil authority. The date of mailing of notice of the board's decision by the town clerk to the taxpayer shall be deemed the date of entry of the board's decision. The town clerk shall transmit a copy of the notice to the Director or to the Superior Court as indicated in the notice and shall record or attach a copy of the notice in the grand list book. The entry fee for an appeal to the Director is \$70.00; provided, however, that the Director may waive, reduce, or refund the entry fee in cases of hardship or to join appeals regarding the same parcel. If, in the opinion of the Director, an appeal under this subsection involves a complex or unique property or valuation that would be best adjudicated by the Superior Court, the Director may decline to assign a property valuation hearing officer pursuant to section 4465 of this title and shall forward the appeal to the Superior Court where it shall be heard. An appeal forwarded by the Director under this subsection shall be considered timely filed in the Superior Court if it was timely appealed to the Director.

Sec. 6. 32 V.S.A. § 4465 is amended to read:

§ 4465. APPOINTMENT OF PROPERTY VALUATION HEARING

OFFICER; OATH; PAY

When an appeal to the Director is not withdrawn or forwarded by the Director to Superior Court pursuant to subsection 4461(a) of this title, the Director shall refer the appeal in writing to a person not employed by the Director, appointed by the Director as hearing officer. The Director shall have the right to remove a hearing officer for inefficiency, malfeasance in office, or other cause. In like manner, the Director shall appoint a hearing officer to fill any vacancy created by resignation, removal, or other cause. Before entering into their duties, persons appointed as hearing officers shall take and subscribe the oath of the office prescribed in the Constitution, which oath shall be filed with the Director. The Director shall pay each hearing officer a sum not to exceed \$150.00 per diem for each day wherein hearings are held, together with reasonable expenses as the Director may determine. A hearing officer may subpoena witnesses, records, and documents in the manner provided by law for serving subpoenas in civil actions and may administer oaths to witnesses.

Sec. 7. REPORT; TIME-SHARE PROJECT VALUATION

On or before January 15, 2023, the Commissioner of Taxes shall submit a report to the House Committee on Ways and Means and the Senate Committee on Finance proposing options for addressing the complexities of valuing time-share projects in this State. The report under this section shall include a review of other states' time-share project valuation laws and an evaluation of

the feasibility of applying those formulas in Vermont. The report shall propose any recommendations for legislative changes to clarify the valuation of time-share projects.

Sec. 8. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Sec. 2 (refund for reduction in grand list value) shall take effect on January 1, 2023 and shall apply to municipal requests for reduction submitted on or after January 1, 2023 for a final appeal or court action resolved within the previous calendar year, beginning with the 2022 calendar year.

(2) Sec. 3 (State appraisal and litigation assistance program) shall take effect on July 1, 2023, provided the General Assembly has, on or before July 1, 2023, appropriated funding to cover the Department of Taxes' operating costs required to create, implement, and maintain a new State appraisal and litigation assistance program.

and that after passage the title of the bill be amended to read: "An act relating to municipal retention of property tax collections and valuation for purposes of the education property tax"

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Ways and Means agreed to, and third reading ordered.

**Second Reading; Proposal of Amendment Agreed to;  
Third Reading Ordered**

**S. 283**

**Rep. Conlon of Cornwall**, for the Committee on Education, to which had been referred Senate bill, entitled

An act relating to miscellaneous changes to education laws

Reported in favor of its passage in concurrence with proposal of amendment by striking all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Community College of Vermont In-State Tuition for Refugees \* \* \*

Sec. 1. 16 V.S.A. § 2185 is amended to read:

**§ 2185. DETERMINATION OF RESIDENCY FOR TUITION PURPOSES**

(a) The Board of Trustees shall adopt policies related to residency for tuition purposes, consistent with State and federal requirements.

(b) Any member of the U.S. Armed Forces on active duty who is transferred to Vermont for duty other than for the purpose of education shall, upon transfer and for the period of active duty served in Vermont, be considered a resident for in-state tuition purposes at the start of the next semester or academic period.

(c) For determination of residency for tuition to the Community College of Vermont, a person who resides in Vermont shall be considered a resident for in-state tuition purposes, beginning at the start of the next semester or academic period after arrival in Vermont, if that person:

(1) qualifies as a refugee pursuant to 8 U.S.C. 1101(a)(42);

(2) is granted parole to enter the United States pursuant to 8 U.S.C. 1182(d)(5); or

(3) is issued a special immigrant visa pursuant to the Afghan Allies Protection Act of 2009, as amended.

## Sec. 2. INCENTIVE GRANT ELIGIBILITY; RESIDENCY

(a) Notwithstanding any provision of law to the contrary, a person who qualifies for in-state tuition to the Community College of Vermont under 16 V.S.A. § 2185(c) shall not be ineligible for the Vermont incentive grant program under 16 V.S.A. §§ 2841–2846 solely on account of that person's residency status.

(b) This section is repealed on July 1, 2023.

\* \* \* Suspension or Expulsion of Students \* \* \*

## Sec. 3. 16 V.S.A. § 1162 is amended to read:

### § 1162. SUSPENSION OR EXPULSION OF STUDENTS

(a) A superintendent or principal may, pursuant to policies adopted by the school board that are consistent with State Board rules, suspend a student for up to 10 school days or, with the approval of the board of the school district, expel a student for up to the remainder of the school year or up to 90 school days, whichever is longer, for misconduct:

(1) on school property, on a school bus, or at a school-sponsored activity when the misconduct makes the continued presence of the student harmful to the welfare of the school;

(2) not on school property, on a school bus, or at a school-sponsored activity where direct harm to the welfare of the school can be demonstrated; or

(3) not on school property, on a school bus, or at a school-sponsored activity where the misconduct can be shown to pose a clear and substantial

interference with another student's equal access to educational programs.

(b) Nothing contained in this section shall prevent a superintendent or principal, subject to subsequent due process procedures, from removing immediately from a school a student who poses a continuing danger to persons or property or an ongoing threat of disrupting the academic process of the school, or from expelling a student who brings a weapon to school pursuant to section 1166 of this title.

(c) Principals, superintendents, and school boards are authorized and encouraged to provide alternative education services or programs to students during any period of suspension or expulsion authorized under this section.

(d) Notwithstanding anything to the contrary in this chapter, a student enrolled in a public school, approved independent school, or prequalified private prekindergarten program who is under eight years of age shall not be suspended or expelled from the school; provided, however, that the school may suspend or expel the student if the student poses an imminent threat of harm or danger to others in the school.

Sec. 4. REPORT AND RECOMMENDATIONS ON SUSPENSION,  
EXPULSION, AND EXCLUSIONARY PRACTICES IN EARLY  
CHILDHOOD EDUCATION SETTINGS

The Building Bright Futures Council, established in 33 V.S.A. § 4602, shall collaborate with the Agencies of Human Services and Education to define suspension, expulsion, and exclusionary practices in early childhood education settings and to establish best practices for supporting children who face such measures. The work of the Council shall include reviewing available data on exclusionary practices. On or before January 15, 2023 the Building Bright Futures Council shall issue a written report to the Senate and House Committees on Education, the Senate Committee on Health and Welfare, and the House Committee on Human Services detailing its work and findings and making recommendations for legislative action.

\* \* \* Entrance Age Threshold for Public School Kindergarten \* \* \*

Sec. 5. REPORT AND RECOMMENDATIONS ON THE IMPACT OF  
STANDARDIZING THE ENTRANCE AGE THRESHOLD FOR  
PUBLIC SCHOOL KINDERGARTEN

On or before December 15, 2022, the Agency of Education shall issue a written report to the Senate and House Committees on Education on the impact of standardizing the entrance age threshold for public school kindergarten attendance. In preparing the report, the Agency of Education

shall consult with the Vermont Department for Children and Families, the Vermont Department of Health, the Vermont School Boards Association, the Vermont Principals' Association, the Vermont Superintendents Association, and the Vermont National Education Association. The report shall include any recommendations for legislative action.

\* \* \* Statewide Uniform School Calendar \* \* \*

Sec. 6. REPORT AND RECOMMENDATIONS FOR A STATEWIDE  
UNIFORM SCHOOL CALENDAR

On or before January 15, 2024, the Agency of Education shall issue a written report to the Senate and House Committees on Education with a proposed statewide uniform school calendar, created to improve high-quality learning opportunities for all Vermont students. In creating the calendar, the Agency shall consider the impact on attendance at regional career and technical education centers as well as the impact on families and educators. The uniform calendar shall include student attendance days, periods of vacation, holidays, and teacher in-service education days.

\* \* \* Remote Learning \* \* \*

Sec. 7. REPORT AND RECOMMENDATIONS FOR STATEWIDE  
REMOTE LEARNING POLICY

On or before January 15, 2023, the Agency of Education, in consultation with the State Board of Education, shall issue a written report to the Senate and House Committees on Education with recommendations for a statewide remote learning policy that incorporates remote learning into the requirements for student attendance, school days, and cumulative instructional hours. The report shall define remote learning and recommend statewide quality standards to ensure substantially equal access to quality basic education. The report shall also include any recommendations for legislative action.

\* \* \* PCBs \* \* \*

Sec. 8. 2021 Acts and Resolves No. 74, Sec. E.709.1 is amended to read:

Sec. E.709.1 ENVIRONMENTAL CONTINGENCY FUND;

POLYCHLORINATED BIPHENYLS (PCBs) TESTING IN  
SCHOOLS

(a) Notwithstanding 10 V.S.A. § 1283, of the funds transferred in Sec. D.101(a) of this act to the Environmental Contingency Fund, the Department of Environmental Conservation, in consultation with the Department of Health and the Agency of Education, shall use up to \$4,500,000

to complete air indoor quality testing for Polychlorinated Biphenyls (PCBs) in public schools and approved and recognized independent schools that were constructed or renovated before 1980. All schools subject to this subsection shall test for PCBs on or before July 1, 2024 2026. ~~It is the intent of the General Assembly to develop additional guidance during the 2022 legislative session.~~

(b) On or before January 15, 2023, the Secretary of Natural Resources, after consultation with the Secretary of Education and the Commissioner of Health, shall submit to the House Committees on Education and on Natural Resources, Fish, and Wildlife and the Senate Committees on Education and on Natural Resources and Energy the following information addressing the testing of air quality for PCBs in public schools and approved and recognized independent schools that were constructed or renovated before 1980:

(1) the testing methodology used, including where and how samples were collected;

(2) the results from schools that were tested, any immediate responses that were taken by the school, and any planned responses that will take place by a school;

(3) a cost estimate for the work planned to take place for schools that were tested and any cost projections based on the sampling that has taken place;

(4) a schedule for testing all remaining schools, including whether testing will occur when students and staff are present in the school; and

(5) a proposal for how any required response to the presence of PCBs in a school shall be funded, including any proposed financial assistance from the State to schools to implement a required response.

Sec. 9. 2021 Acts and Resolves No. 72, Sec. 3(b) is amended to read:

(b) The Secretary of Education shall contract with an independent third party to conduct the inventory and assessment described in subsection (a) of this section. The inventory shall be completed on or before January 15, 2022, and the assessment shall be completed on or before October 1, 2022 2023.

Sec. 10. 2021 Acts and Resolves No. 72, Sec. 12 is amended to read:

#### Sec. 12. RADON TESTING; SCHOOL FACILITIES

(a) On or before June 30, 2023 2026, each public school and approved independent school, as defined in 16 V.S.A. § 11, shall perform a radon measurement in accordance with the ANSI/AARST protocol for conducting Radon and Radon Decay Products in Schools and Large Buildings (MALB-



2014) on any facility that has not had a test completed in five or more years; ~~provided, however, that any public school or approved independent school that is engaged in implementing an indoor air quality improvement project prior to June 30, 2023 shall perform a radon measurement on or before June 30, 2024.~~

(b) Each public school and approved independent school shall make available the results of the radon measurement described in subsection (a) of this section to each employee and student at the school.

\* \* \* Crime Insurance for Incorporated School Districts \* \* \*

Sec. 11. 16 V.S.A. § 492 is amended to read:

§ 492. POWERS, DUTIES, AND LIABILITIES; BONDS

(a) The powers, duties, and liabilities of the collector, treasurer, prudential committee, and clerk shall be like those of a town collector, treasurer, board of school directors, and the school board clerk, respectively.

(b) Before entering upon their duties, the collector and treasurer shall give a bond to the district conditioned for the faithful performance of their duties, in such sum as may be required. ~~When~~ In lieu of taking a personal bond from a collector or treasurer, or both, a school district may choose to provide suitable crime insurance covering the collector or treasurer, or both. If a school district has not provided suitable crime insurance in lieu of a bond and a collector or treasurer for ten days neglects to give a bond as required, his or her ~~that~~ office shall be vacant.

\* \* \* Interstate School Districts \* \* \*

Sec. 12. INTERSTATE SCHOOL DISTRICTS; INDIVIDUALIZED  
EDUCATION PROGRAM

Notwithstanding any provision of law to the contrary, a Vermont resident who is enrolled in an interstate school district, is on an individualized education program (IEP), is 21 years of age or younger, and who is not entitled to receive special education services through the interstate school district due to an age limitation shall be entitled to enroll in a Vermont public high school and receive special education services through 21 years of age. The student may choose the Vermont public high school, provided that the school determines that it has capacity and is able to provide the services required under the student's IEP. The student's local education agency of residence shall be the student's local education agency for special education purposes. Tuition and special education expenses for the student shall be paid by the Agency of Education, and the Agency of Education shall include in its annual budget request to the General Assembly an amount to cover these expenses.

Sec. 13. CONTINGENT EFFECTIVE DATE OF INTERSTATE SCHOOL  
DISTRICT INDIVIDUALIZED EDUCATION PLAN SERVICES  
CHANGE

Sec. 12 of this act shall not take effect if, on or before July 1, 2023, the General Court of New Hampshire enacts legislation that extends the age through which a child is eligible to receive special education services to 21 years of age.

\* \* \* Approved and Recognized Independent Schools \* \* \*

Sec. 14. 16 V.S.A. § 166(b)(8) is amended to read:

(8)(A) If an approved independent school experiences any of the following financial reporting events during the period of its approved status, the school shall notify the Secretary of Education within five days after its knowledge of the event unless the failure is de minimis:

(i) the school's failure to file its federal or State tax returns when due, after permissible extension periods have been taken into account;

(ii) the school's failure to meet its payroll obligations as they are due or to pay federal or State payroll tax obligations as they are due;

(iii) the school's failure to maintain required retirement contributions;

(iv) the school's use of designated funds for nondesignated purposes;

(v) the school's inability to fully comply with the financial terms of its secured installment debt obligations over a period of two consecutive months, including the school's failure to make interest or principal payments as they are due or to maintain any required financial ratios;

(vi) the withdrawal or conditioning of the school's accreditation on financial grounds by a private, State, or regional agency recognized by the State Board for accrediting purposes; or

(vii) the school's insolvency, as defined in 9 V.S.A. § 2286(a).

(B)(i) If the ~~State Board~~ Secretary reasonably believes that an approved independent school lacks financial capacity to meet its stated objectives during the period of its approved status, then the ~~State Board~~ Secretary shall notify the school in writing of the reasons for this belief and permit the school a reasonable opportunity to respond.

(ii) If the ~~State Board~~ Secretary, after having provided the school a reasonable opportunity to respond, does not find that the school has

satisfactorily responded or demonstrated its financial capacity, the ~~State Board~~ Secretary may establish a review team, that, with the consent of the school, includes a member of the Council of Independent Schools, to:

(I) conduct a school visit to assess the school's financial capacity;

(II) obtain from the school such financial documentation as the review team requires to perform its assessment; and

(III) submit a report of its findings and recommendations to the State Board.

(iii) If the State Board concludes that an approved independent school lacks financial capacity to meet its stated objectives during the period of its approved status, the State Board may take any action that is authorized by this section.

(iv) In considering whether an independent school lacks financial capacity to meet its stated objectives during the period of its approved status and what actions the State Board should take if it makes this finding, the State Board may consult with, and draw on the analytical resources of, the Vermont Department of Financial Regulation.

(C) Information provided by an independent school under this subsection that is not already in the public domain is exempt from public inspection and copying under the Public Records Act and shall be kept confidential.

\* \* \* Prekindergarten Prequalification Quality Standards \* \* \*

Sec. 15. 16 V.S.A. § 829 is amended to read:

§ 829. PREKINDERGARTEN EDUCATION

\* \* \*

(c) Prequalification. Pursuant to rules jointly developed and overseen by the Secretaries of Education and of Human Services and adopted by the State Board pursuant to 3 V.S.A. chapter 25, the Agencies jointly may determine that a private or public provider of prekindergarten education is qualified for purposes of this section and include the provider in a publicly accessible database of prequalified providers. At a minimum, the rules shall define the process by which a provider applies for and maintains prequalification status, shall identify the minimum quality standards for prequalification, and shall include the following requirements:

(1) A program of prekindergarten education, whether provided by a school district or a private provider, shall have received:

(A) National Association for the Education of Young Children (NAEYC) accreditation; ~~or~~

(B) at least four stars in the Department for Children and Families' STARS system ~~with a plan to get to at least two points in each of the five arenas; or~~

(C) three stars in the STARS system if the provider has developed a plan, approved by the Commissioner for Children and Families and the Secretary of Education, to achieve four or more stars ~~with at least two points in each of the five arenas in no more than three years, and the provider has met intermediate milestones.~~

(2) A licensed provider shall employ or contract for the services of at least one teacher who is licensed and endorsed in early childhood education or in early childhood special education under chapter 51 of this title.

(3) A registered home provider that is not licensed and endorsed in early childhood education or early childhood special education shall receive regular, active supervision and training from a teacher who is licensed and endorsed in early childhood education or in early childhood special education under chapter 51 of this title.

\* \* \*

\* \* \* Agency of Education; School Facilities Position \* \* \*

Sec. 16. 2021 Acts and Resolves No. 72, Sec. 7 is amended to read:

Sec. 7. AGENCY OF EDUCATION; CREATION OF POSITIONS OR  
CONTRACT

(a) One limited-service position funded through ~~January 15~~ September 30, 2023 is created in the Agency of Education to implement this act by using an existing position in the position pool. In the event the required expertise is not available through position recruitment, the Agency is authorized to contract for the service to implement this act.

(b) In fiscal years 2022 and 2023, the Agency of Education is authorized to use not more than \$127,500.00 from the amount allocated to the Agency of Education Elementary and Secondary School Emergency Relief Fund pursuant to Section 313(e) of the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260 for the position or contract described in subsection (a) of this section.

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

Sec. 17. EFFECTIVE DATES

This act shall take effect on passage, except that Secs. 12 (interstate school district individualized education plan services change) and 14 (prekindergarten qualification standards) shall take effect on July 1, 2023.

**Rep. Scheu of Middlebury**, for the Committee on Appropriations, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Education.

The bill having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Education was agreed to, and third reading ordered.

**Second Reading; Proposal of Amendment Agreed to;  
Third Reading Ordered**

**S. 188**

**Rep. O'Brien of Tunbridge**, for the Committee on Agriculture and Forestry, to which had been referred Senate bill, entitled

An act relating to regulating licensed small cannabis cultivation as farming

Reported in favor of its passage in concurrence with proposal of amendment by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 7 V.S.A. § 861 is amended to read:

§ 861. DEFINITIONS

As used in this chapter:

\* \* \*

(19) ~~“Enclosed, locked facility” means a building, room, greenhouse, outdoor fenced-in area, or other location that is enclosed on all sides and prevents cannabis from easily being viewed by the public. The facility shall be equipped with locks or other security devices that permit access only by:~~

~~(A) Employees, agents, or owners of the cultivator, all of whom shall be 21 years of age or older.~~

~~(B) Government employees performing their official duties.~~

~~(C) Contractors performing labor that does not include cannabis cultivation, packaging, or processing. Contractors shall be accompanied by an~~

~~employee, agent, or owner of the cultivator when they are in areas where cannabis is being grown, processed, packaged, or stored.~~

~~(D) Registered employees of other cultivators, members of the media, elected officials, and other individuals 21 years of age or older visiting the facility, provided they are accompanied by an employee, agent, or owner of the cultivator. [Repealed.]~~

\* \* \*

(27) “Hemp” means the plant Cannabis sativa L. and any part of the plant, including the seeds and all derivatives, extracts, cannabinoids, acids, salts, isomers, and salts of isomers, whether growing or not, with the federally defined tetrahydrocannabinol concentration level of hemp.

(28) “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 that 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.

Sec. 2. 7 V.S.A. § 869 is amended to read:

§ 869. CULTIVATION OF CANNABIS; ENVIRONMENTAL AND LAND  
USE STANDARDS; REGULATION OF SMALL CULTIVATORS

(a)(1) 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.

~~(2) Notwithstanding subdivision (1) of this subsection, the cultivation of cannabis on agricultural land and the use of farm buildings to dry or process that cannabis shall not disqualify the land or buildings from the use value appraisal program or constitute “development” under 32 V.S.A. § 3752(5), provided that:~~

~~(A) the agricultural land or farm building is enrolled in the use value appraisal program at the time cannabis cultivation commences;~~

~~(B) the agricultural land or farm building is not transferred to another owner;~~

~~(C) the cultivation, drying, or processing of cannabis is done by a licensed small cultivator on 1,000 square feet or less of agricultural land; and~~

~~(D) all other requirements under 32 V.S.A. chapter 124 continue to be met.~~

(b) The cultivation, processing, and manufacturing of cannabis regulated under this chapter shall comply with all applicable State, federal, and local environmental, energy, or public health law, unless otherwise provided under this chapter.

(c) A cannabis establishment regulated under this chapter shall be subject to regulation under 24 V.S.A. chapter 117 as authorized by this chapter.

(d)(1) The cultivation, processing, and manufacturing of cannabis by all cultivators regulated under this chapter shall comply with the following sections of the Required Agricultural Practices as administered and enforced by the Board:

(A) section 6, regarding conditions, restriction, and operating standards;

(B) section 8, regarding groundwater quality and groundwater quality investigations; and

(C) section 12, regarding subsurface tile drainage.

(2) Application of or compliance with the Required Agricultural Practices under subdivision (1) of this subsection shall not be construed to provide a presumption of compliance with or exemption to any applicable State, federal, and local environmental, energy, public health, or land use law required under subsections (b) and (c) of this section.

(e) Persons cultivating cannabis or handling pesticides for the purposes of the manufacture of cannabis products shall comply with the worker protection standard of 40 C.F.R. ~~part~~ Part 170.

(f) Notwithstanding subsection (a) of this section, a small cultivator licensed under this chapter who initiates cultivation of cannabis outdoors on a parcel of land that was subject to the Required Agricultural Practices prior to licensed cultivation of cannabis shall:

(1) be regulated in the same manner as “farming” and not as “development” on the tract of land where cultivation occurs for the purposes of permitting under 10 V.S.A. chapter 151;

(2) not be regulated by a municipal bylaw adopted under 24 V.S.A. chapter 117 in the same manner that Required Agricultural Practices are not regulated by a municipal bylaw under 24 V.S.A. § 4413(d)(1)(A);

(3) be eligible to enroll in the Use Value Appraisal Program under 32 V.S.A. chapter 124 for the cultivation of cannabis, provided that the agricultural land or farm building on the parcel where cannabis cultivation occurs was enrolled in the Use Value Appraisal Program prior to commencement of licensed cannabis cultivation and the parcel continues to qualify for enrollment; and

(4) be exempt under 32 V.S.A. § 9741(3), (25), and (50) from the tax on retail sales imposed under 32 V.S.A. § 9771.

Sec. 3. 7 V.S.A. § 881(a) is amended to read:

(a) The Board shall adopt rules to implement and administer this chapter in accordance with subdivisions (1)-(7) of this subsection.

(1) Rules concerning any cannabis establishment shall include:

\* \* \*

(Q) policies and procedures for conducting outreach and promoting participation in the regulated cannabis market by diverse groups of individuals, including those who have been disproportionately harmed by cannabis prohibition; ~~and~~

(R) advertising and marketing; and

(S) requirements for cannabis control testing of hemp, hemp-infused products, cannabis, and cannabis products.

\* \* \*

Sec. 4. 7 V.S.A. § 885 is added to read:

§ 885. CANNABIS QUALITY CONTROL PROGRAM; TESTING

The Cannabis Control Board shall establish a cannabis quality control program for the following purposes:

(1) to develop potency and contaminant testing protocols for hemp, hemp-infused products, cannabis, and cannabis products;

(2) to verify cannabinoid label guarantees of hemp, hemp-infused products, cannabis, and cannabis products;

(3) to test for pesticides, solvents, heavy metals, mycotoxins, and bacterial and fungal contaminants in hemp, hemp-infused products, cannabis, and cannabis products; and

(4) to certify testing laboratories that can offer the services in subdivisions (2) and (3) of this subsection.

Sec. 5. REPEAL



6 V.S.A. § 567 (Agency of Agriculture, Food and Markets cannabis control program) is repealed.

Sec. 6. 7 V.S.A. § 904 is amended to read:

§ 904. CULTIVATOR LICENSE

(a) A cultivator licensed under this chapter may cultivate, process, package, label, transport, test, and sell cannabis to a licensed wholesaler, product manufacturer, retailer, integrated licensee, and dispensary and may purchase and sell cannabis seeds and immature cannabis plants to another licensed cultivator.

(b) Cultivation of cannabis shall occur only ~~in an enclosed, locked facility:~~

(1) on property lawfully in possession of the cultivator or with the written consent of the person in lawful possession of the property; and

(2) in an area that is screened from public view and access is limited to the cultivator and persons 21 years of age or older who have permission from the cultivator.

\* \* \*

Sec. 7. 7 V.S.A. § 905 is amended to read:

§ 905. WHOLESALE LICENSE

A wholesaler licensed under this chapter may:

(1) purchase cannabis from a licensed cultivator and integrated licensee, and cannabis products from a licensed product manufacturer, integrated licensee, and dispensary; ~~and~~

(2) transport, process, package, and sell cannabis and cannabis products to a licensed product manufacturer, retailer, integrated licensee, and dispensary; and

(3) sell cannabis seeds or immature cannabis plants to a licensed cultivator.

Sec. 8. 18 V.S.A. § 4230e is amended to read:

§ 4230e. CULTIVATION OF CANNABIS BY A PERSON 21 YEARS OF  
AGE OR OLDER

(a)(1) Except as otherwise provided in this section, a person 21 years of age or older who cultivates ~~no~~ not more than two mature cannabis plants and four immature cannabis plants shall not be penalized or sanctioned in any manner by the State or any of its political subdivisions or denied any right or privilege under State law.

(2) Each dwelling unit shall be limited to two mature cannabis plants and four immature cannabis plants regardless of how many persons 21 years of age or older reside in the dwelling unit. As used in this section, “dwelling unit” means a building or the part of a building that is used as a primary home, residence, or sleeping place by one or more persons who maintain a household.

(3) Any cannabis harvested from the plants allowed pursuant to this subsection shall not count toward the one-ounce possession limit in section 4230a of this title, provided it is stored in an indoor facility on the property where the cannabis was cultivated and reasonable precautions are taken to prevent unauthorized access to the cannabis.

(4) Cultivation in excess of the limits provided in this subsection shall be punished in accordance with section 4230 of this title.

(b)(1) Personal cultivation of cannabis only shall occur:

(A) on property lawfully in possession of the cultivator or with the written consent of the person in lawful possession of the property; and

(B) in an ~~enclosure~~ area that is screened from public view and is ~~secure so that~~ access is limited to the cultivator and persons 21 years of age or older who have permission from the cultivator.

(2) A person who violates this subsection shall be assessed a civil penalty as follows:

(A) not more than \$100.00 for a first offense;

(B) not more than \$200.00 for a second offense; and

(C) not more than \$500.00 for a third or subsequent offense.

Sec. 9. CANNABIS CONTROL BOARD; REPORTS; REGULATION OF  
HEMP PROCESSORS, MANUFACTURERS, AND PRODUCTS;  
CANNABIS CULTIVATION AS FARMING

(a) On or before January 15, 2023, the Cannabis Control Board shall submit to the House Committees on Agriculture and Forestry and on Ways and Means and the Senate Committees on Agriculture and on Finance written recommendations on how the Cannabis Control Board would regulate hemp products, as that term is defined in 7 V.S.A. § 861; hemp processors; and hemp product manufacturers. The recommendations shall include:

(1) what hemp products the Cannabis Control Board would regulate;

(2) how the products would be regulated, including whether registration would be required and whether hemp processors and manufacturers should be licensed and regulated by the Board;

(3) any registration fees or other charges that would be assessed on hemp products and license fees assessed on hemp processors and manufacturers; and

(4) the resources required to regulate hemp processors, product manufacturers, and hemp products.

(b) If the federal government removes “marihuana” from the Schedule 1 list of controlled substances set forth in 21 U.S.C. § 812, the Executive Director of the Cannabis Control Board shall, after consultation with the Secretary of Agriculture, Food and Markets, submit to the Senate Committees on Judiciary and on Agriculture and the House Committees on Judiciary and on Agriculture and Forestry a recommendation as to whether the regulation of the cultivation of cannabis should be transferred from the jurisdiction of the Cannabis Control Board to the jurisdiction of the Agency of Agriculture, Food and Markets. The recommendation shall include whether cannabis cultivation should be regulated as “farming” and the estimated staff and budget necessary for the Secretary of Agriculture, Food and Markets to administer regulations.

#### Sec. 10. EFFECTIVE DATE

This act shall take effect on passage.

**Rep. Elder of Starksboro**, for the Committee on Ways and Means, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Agriculture and Forestry and when further amended as follows:

In Sec. 2, 7 V.S.A. § 869, in subsection (f), in subdivision (2), after the semicolon, by inserting the word “and”, in subdivision (3), after “qualify for enrollment” and before the end of the subdivision, by striking out “; and” and inserting in lieu thereof a period, and by striking out subdivision (4), sales tax exemption for small cannabis cultivators, in its entirety.

The bill having appeared on the Notice Calendar was taken up, read the second time, and the report of the Committee on Agriculture and Forestry was amended as recommended by the Committee on Ways and Means. Thereupon, the report of the Committee on Agriculture and Forestry, as amended, was agreed to and third reading was ordered.

#### Recess

At twelve o'clock and forty minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

**Message from the Senate No. 62**

A message was received from the Senate by Mr. Marshall, 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. 482.** An act relating to the Petroleum Cleanup Fund.

And has passed the same in concurrence.

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

**H. 456.** An act relating to establishing strategic goals and reporting requirements for the Vermont State Colleges.

**H. 464.** An act relating to miscellaneous changes to the Reach Up Program.

**H. 523.** An act relating to reducing hydrofluorocarbon emissions.

**H. 729.** 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. 280.** An act relating to miscellaneous changes to laws related to vehicles.

And has concurred therein with an amendment in the passage of which the concurrence of the House is requested.

**House Called to Order**

At two o'clock and fifteen minutes in the afternoon, the Speaker called the House to order.

**Second Reading; Proposal of Amendment Agreed to; Proposal of  
Amendment Amended; Third Reading Ordered;  
Rules Suspended; Third Reading; Bill Passed in Concurrence with  
Proposal of Amendment; Rules Suspended; Bill Ordered Messaged to  
Senate Forthwith**

**S. 11**

**Rep. Kimbell of Woodstock**, for the Committee on Commerce and Economic Development, to which had been referred Senate bill, entitled

An act relating to prohibiting robocalls

Reported in favor of its passage in concurrence with proposal of amendment by striking all after the enacting clause and inserting in lieu thereof the following:

**Sec. 1. IMMEDIATE STRATEGIES AND FUNDING FOR EXPANDING  
THE LABOR FORCE; INCREASING THE NUMBER OF  
PARTICIPANTS AND PARTICIPATION RATES;  
APPROPRIATIONS**

(a) In fiscal year 2023, the following amounts are appropriated from the General Fund to the following recipients for the purposes specified:

(1) \$2,500,000.00 to the University of Vermont Office of Engagement, in consultation with the Vermont Student Assistance Corporation, to administer a statewide forgivable loan program of \$5,000.00 per graduate for recent college graduates across all Vermont higher education institutions who commit to work in Vermont for two years after graduation.

(2) \$387,000.00 to Vermont Technical College to develop a skilled meat cutter training and apprenticeship facility.

(b) In fiscal year 2023, the amount of \$500,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Human Services to provide grants, which may be administered through a performance-based contract, to refugee- or New American-focused programs working in Vermont to support increased immigration or retention of recent arrivals.

**Sec. 2. CTE FUNDING AND GOVERNANCE; FINDINGS**

(a) Vermont's career and technical education (CTE) system is critical to ensuring that all Vermonters have access to the high-quality resources they need to explore a wide variety of career pathways, earn a postsecondary credential of value, and establish a productive career.

(b) CTE is a vital component of our educational system, supporting and delivering on the goals established by the General Assembly in 2013 Acts and Resolves No. 77 (flexible pathways), 2018 Acts and Resolves No. 189 (workforce development), and in achieving our attainment goal, which is that 70 percent of working-age Vermonters have a credential of value by 2025 (10 V.S.A. § 546).

(c) CTE is also an equity lever, providing every student access to critical workforce training, postsecondary coursework, and the real-world skills and networks that prepare our youth to continue to earn and learn during and after high school.

(d) As of the fall semester of the 2021–2022 school year, students were enrolling in CTE programs at a higher rate than at the beginning of the pandemic, increasing from 4,160 to 4,565. In the 2020–2021 school year, Vermont’s CTE system awarded Tier II credentials of value to 459 students.

(e) Since 2015, through legislative initiatives such as 2015 Acts and Resolves No. 51, 2017 Acts and Resolves No. 69, 2018 Acts and Resolves No. 189, 2019 Acts and Resolves No. 80, and most recently 2021 Acts and Resolves No. 74, the General Assembly and other stakeholders in education and in State government have been working to identify, understand, and resolve long-standing concerns related to the functioning of the CTE system.

(f) In 2018, the Agency of Education embarked on a collaborative process that included students, legislators, and communities across the State to develop a strategic vision and aspirational goals to help guide the transformation of the CTE system.

(g) The State Board of Education adopted the Agency of Education’s vision and goals for CTE that “all Vermont learners attain their postsecondary goals by having access to career and technical education systems that are equitable, efficient, integrated and collaborative.”

(h) 2018 Acts and Resolves No. 189 committed Vermont to a redesign of its workforce development and training system, including the approval of up to four pilot sites or projects to examine the way our CTE system is funded and governed.

(i) In a report dated June 14, 2021, the Agency of Education reported on its progress, which was interrupted by the COVID-19 pandemic. The report presented possible alternatives to our current funding structure, which is widely seen as a barrier to enrollment. However, these alternatives were based on an examination of only the CTE school district funding model and did not include the study of governance models. The report recommended completing

this study of CTE funding and governance models to propose actionable implementation steps for the State.

(j) The Agency of Education's State plan for federal Perkins funds is aligned to the vision and goals created through collaborative processes that included a public comment period. Processes required in the federal legislation like the biennial Comprehensive Local Needs Assessment will strengthen the role of CTE in each region and help to focus the use of limited federal funds to improve the system.

### Sec. 3. FUNDING AND GOVERNANCE STRUCTURES OF

#### CAREER TECHNICAL EDUCATION IN VERMONT

(a) There is appropriated to the Joint Fiscal Office for fiscal year 2023 the amount of \$180,000.00 from the General Fund to contract for services to:

(1) complete a systematic examination of the existing funding structures of career technical education (CTE) in Vermont and how these structures impede or promote the State's educational and workforce development goals;

(2) examine CTE governance structures in relationship to those funding structures;

(3) examine the implications of the existing funding and governance structures for kindergarten through grade 12 schools and adult education;

(4) examine the funding and alignment of early college and dual enrollment;

(5) consider the CTE funding and governance structures in other states in relation to Vermont's unique system of funding education; and

(6) identify and prioritize potential new models of CTE funding and governance structures to reduce barriers to enrollment and to improve the quality, duration, impact, and access to CTE statewide.

(b) In performing its work, the contractor shall consult with the consultant and any other stakeholders involved in completing the report on the design, implementation, and costs of an integrated and coherent adult basic education, adult secondary education, and postsecondary career and technical education system pursuant to 2021 Acts and Resolves No. 74, Sec. H.3.

(c) On or before March 1, 2023, the Joint Fiscal Office shall issue a written report to the House and Senate Committees on Education, the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, the House Committee on Ways and Means, and the Senate Committee on Finance on the work performed pursuant to subsection (a) of this section.

(d)(1) The Agency of Education shall consider the work performed and report issued pursuant to subsection (c) of this section and shall develop an implementation plan, including recommended steps to design and implement new funding and governance models.

(2) On or before July 1, 2023, the Agency shall issue a written report to the House and Senate Committees on Education, the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, the House Committee on Ways and Means, and the Senate Committee on Finance that describes the results of its work under this subsection and the implementation plan and makes recommendations for legislative action.

#### Sec. 4. INVESTMENT IN THE UP-SKILLING OF PRIVATE SECTOR

##### EMPLOYERS TO SUPPORT THE EVOLUTION OF BUSINESS

##### AND ORGANIZATIONAL MODELS; APPROPRIATIONS

In fiscal year 2023, the amount of \$250,000.00 is appropriated from the General Fund to the Agency of Commerce and Community Development for a performance-based contract to provide statewide delivery of business coaching and other forms of training to BIPOC business owners, networking and special convenings, and career fairs, workshops and paid internships, career guidance, and other support for BIPOC workers across the State.

#### Sec. 5. REGIONAL WORKFORCE EXPANSION SYSTEM

(a) Findings. The General Assembly finds:

(1) Vermont is experiencing an acute labor shortage in 2022.

(2) According to the Employment and Labor Marketing Information Division of the Vermont Department of Labor:

(A) There are approximately 28,000 job openings in Vermont as of December 2021.

(B) 9,945 individuals meet the federal statistical definition of unemployed as of January 2022.

(C) 4,500 individuals are receiving unemployment insurance assistance as of March 2022.

(D) The workforce has shrunk by 26,000 individuals from 2019 to 2022, yet the unemployment rate is just three percent as of January 2022.

(E) The workforce participation rate has fallen from 66 percent to 60.6 percent.



(3) The Department receives approximately 80 percent of its funding from federal sources, which constrains the Department and its employees from adjusting its work to meet immediate needs.

(4) The federal funding for field staff in the Workforce Development Division has declined significantly over the past 20 years, supporting 75 persons in 2022 as compared to 135 in 2003.

(5) Though Vermont has a small population, the unique characteristics of its region's employers, educational institutions, demographics, and socioeconomic conditions make it best to address efforts to connect individuals with training and job placement on a regional basis.

(b) Regional Workforce Expansion System. The amount of \$1,500,000.00 is appropriated from the General Fund to the Department of Labor for a two-year pilot program to launch and lead a coordinated regional system, beginning in three regions of the State, to work toward accomplishing the following goals:

(1) increase local labor participation rate;

(2) decrease the number of open positions reported by local employers;

(3) increase the wages of workers as they transition to new jobs; and

(4) collect, organize, develop, and share information related to local career pathways with workforce development partners.

(c) Duties. In order to meet the goals specified in subsection (b) of this section, the Department shall:

(1) create new capacity to address and support State activities related to workforce development, expansion, and alignment;

(2) focus on the overarching goal of helping workers find jobs and employers find workers;

(3) support employers in communicating and tailoring their work requirements, conditions, and expectations to better access local workers; and

(4) collaborate with local education and training providers and regional workforce partners to create and regularly distribute data related to local labor force supply and demand.

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

(1) The Department is authorized to create four classified, two-year limited-service positions, with funding allocated to perform the work described

in this section, who shall report to the Workforce Development Division and of whom:

(A) three shall be Workforce Expansion Specialists assigned, one each, to three different regions of the State; and

(B) one shall provide oversight and State-level coordination of activities.

(2)(A) The Department shall use funds allocated to develop systems for coordination, information sharing, and enhanced support to regional partners, host regional meetings, develop regional plans, and provide localized resources including labor market information, training and development opportunities, and support services.

(B) The Department shall develop labor market information reports to support discussion and decision making that will address local labor market challenges and opportunities and support a regional approach to solving local or unique labor supply challenges.

(e) Coordination.

(1) The Department shall convene regional meetings of education, training, business, and service provider partners; coordinate local workforce information collection and distribution; and assist in developing localized career resources, such as information for career counseling, local job fairs, and career expos, that will be available to a wide range of stakeholders.

(2) Service provider partners shall include community partners who directly serve mature workers, youth, individuals with disabilities, individuals who have been involved with the correction system, BIPOC Vermonters, New Americans, and other historically marginalized populations in efforts to align service delivery, share information, and achieve greater employment outcomes for Vermonters.

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

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

## Sec. 6. INCARCERATED INDIVIDUALS; WORKFORCE

## DEVELOPMENT; PILOT PROGRAM

(a) Purpose. The purpose of this section is to facilitate the education and vocational training of incarcerated individuals so that they have a greater likelihood of obtaining gainful employment and positively contributing to society upon reintegration into the community.

(b) Policy; appropriations.

(1)(A) In fiscal year 2023, the amount of \$420,000.00 is appropriated from the General Fund to the Department of Corrections, in consultation with the Vermont Department of Labor, to address education and vocational enhancement needs. These funds shall not be allocated from any amounts budgeted for Justice Reinvestment II initiatives.

(B) The Department shall use the funds allocated for the development of education and vocational training for incarcerated individuals residing in a Vermont correctional facility prior to community reintegration. The Department may allocate the funds over three years, consistent with the following:

(i) \$270,000.00 for transition development, including equipment and mobile labs in one or more sites;

(ii) \$100,000.00 for training partner support; and

(iii) \$50,000.00 for curriculum development.

(2) In fiscal year 2023, the amount of \$300,000.00 is appropriated from the General Fund to the Department of Corrections, which may be allocated over not more than three years, to establish a community-based pilot reentry program at the Chittenden Regional Correctional Facility in consultation with the Vermont Department of Labor. The Department of Corrections shall designate a service provider to administer the pilot program's goals to:

(A) provide continuity of services for incarcerated individuals;

(B) expand current employment readiness programs within the facility by building pathways for coordinated transition to employment;

(C) focus on the first six months after individuals are released from the facility;

(D) coordinate with local community resources, parole and probation offices, and other supports to ensure successful transition into the community;

(E) assist individuals in successfully transitioning into new jobs; and

(F) work with employers to support successful hiring and best practices to support incarcerated individuals.

(c) Report. On or before January 15, 2023, the Department of Corrections shall create and submit a report on workforce and education training programs in correctional facilities to the Joint Legislative Justice Oversight Committee; the House Committees on Corrections and Institutions and on Commerce and Economic Development; and the Senate Committees on Economic Development, Housing and General Affairs and on Judiciary. The report shall:

(1) identify program design, logistical needs, and policy changes to current Department of Corrections facility-based training and educational programs necessary to successfully enable incarcerated individuals' reintegration into their communities, including changes to programs that enhance individuals' skill development, knowledge, and other support needed to qualify for and secure a position in a critical occupation in Vermont;

(2) identify disparities of outcomes and recommend solutions for incarcerated Black, Indigenous, and Persons of Color concerning facility-based training, educational programming, and successful community reintegration;

(3) provide an update on the Department of Corrections' use of education and vocational enhancement funding in fiscal year 2023;

(4) provide recommendations on what aspects of the pilot program should be replicated in other correctional facilities in Vermont; and

(5) provide recommended legislation for the continuation of the pilot program or any changes.

#### Sec. 7. INTENT

It is the intent of the General Assembly to improve the recruitment and retention of correctional officers to ensure adequate staffing and safe working conditions in facilities operated by the Department of Corrections.

#### Sec. 8. IMPROVEMENT OF CORRECTIONAL OFFICER

##### RECRUITMENT AND RETENTION; REPORT

(a) On or before January 15, 2023, the Secretary of Human Services, in consultation with the Commissioners of Corrections and of Human Resources, shall submit a written report to the House Committees on Appropriations, on Commerce and Economic Development, on Corrections and Institutions, and on Government Operations and the Senate Committees on Appropriations, on Government Operations, and on Judiciary identifying conditions that pose an obstacle to the successful recruitment and retention of correctional officers and

setting forth a plan to improve the recruitment and retention of correctional officers.

(b)(1) The report shall specifically analyze the impact of the following on the recruitment and retention of correctional officers:

(A) wages and benefits;

(B) terms and conditions of employment;

(C) working conditions in Department of Corrections facilities, including health and safety issues and the physical condition of the facilities; and

(D) staffing levels and overtime.

(2) The report shall, for each of the issues examined pursuant to subdivision (1) of this subsection, analyze how the following states compare to Vermont and shall identify any best practices in those states that could improve recruitment and retention of correctional officers in Vermont:

(A) Maine;

(B) New Hampshire;

(C) New York;

(D) Massachusetts;

(E) Rhode Island; and

(F) Connecticut.

(c) The report shall, as part of the plan to improve the recruitment and retention of correctional officers, identify specific administrative and legislative actions that are necessary to successfully improve the recruitment and retention of correctional officers.

## Sec. 9. ASSESSMENT OF RECRUITMENT AND RETENTION

### INITIATIVES; REPORT

(a) On or before January 15, 2023, the Secretary of Human Services, in consultation with the Commissioner of Human Resources, shall submit to the House and Senate Committees on Appropriations a report regarding the use of funds appropriated pursuant to 2022 Acts and Resolves, No. 83:

(1) Sec. 14 for employee recruitment and retention at:

(A) the secure residential recovery facility; and

(B) the Vermont Psychiatric Care Hospital;

(2) Sec. 68 for employee retention with respect to:

(A) the Department of Corrections; and

(B) the Vermont Veteran's Home; and

(3) Sec. 72 for workforce recruitment and retention incentives with respect to designated and specialized service agencies, including shared living providers.

(b) The report shall assess how effective the appropriations identified pursuant to subsection (a) of this section were in addressing issues related to employee recruitment and retention; identify any ongoing or remaining employee recruitment and retention challenges that the recipients have; and identify any potential legislative, administrative, or programmatic changes that can address those ongoing or remaining employee retention issues.

(c) The report shall also include a recommendation as to whether and how to appropriate additional funds in the 2023 Budget Adjustment Act to address ongoing recruitment and retention challenges at:

(1) the Vermont Veteran's Home;

(2) the Vermont Psychiatric Care Hospital;

(3) the secure residential recovery facility;

(4) designated and specialized service agencies; and

(5) the Department of Corrections' facilities with respect to individuals employed as a Correctional Officer I or a Correctional Officer II.

Sec. 10. REPEALS

10 V.S.A. §§ 544 and 545 are repealed.

Sec. 11. 10 V.S.A. § 547 is added to read:

§ 547. WORK-BASED LEARNING AND TRAINING PROGRAM

(a) Vermont Work-Based Learning and Training Program. The Department of Labor shall develop the statewide Work-Based Learning and Training Program that serves transitioning secondary and postsecondary students and Vermonters seeking work-based experience as part of a career experience or change and is designed to:

(1) support Vermonters who are graduating from postsecondary education or a secondary CTE program or who are pursuing a career change with a paid on-the-job work experience lasting 12 weeks or fewer;

(2) establish a statewide platform available to all employers to list their internships, returnships, pre-apprenticeships, and registered apprenticeship

opportunities and for jobseekers to view and access information about specific opportunities; and

(3) support employers by providing them with assistance in developing and implementing meaningful work-based learning and training opportunities.

(b) Definitions. As used in this section:

(1) “Internship” means a work-based learning experience with an employer where the participant may, but does not necessarily, receive academic credit.

(2) “Returnship” means an on-the-job learning experience for an individual who is returning to the workforce after an extended absence or is seeking a limited-duration on-the-job work experience in a different occupation or occupational setting as part of a career change.

(c) Activities. The Department may use funds appropriated to it for the Program to:

(1) build and administer the Program;

(2) develop an online platform that will connect students and jobseekers with work-based learning and training opportunities within Vermont;

(3) support work-based learning and training opportunities with public and private employers available to prospective workers located in or relocating to Vermont;

(4) promote work-based learning and training as a valuable component of a talent pipeline; and

(5) assist employers in developing meaningful work-based learning and training opportunities.

(d) Data. The Department shall collect the following data:

(1) the total number of participants served;

(2) the number of participants who received wage assistance or other financial assistance as part of this Program and their employment status one year after completion;

(3) the average wage of participants in subdivision (2) of this subsection at the start of the Program and the average wage of participants one year after completion;

(4) the number of work-based learning or training opportunities listed on the platform; and

(5) the number of employers who offered a work-based learning or training opportunity.

(e) State participation. The Department shall engage appropriate State agencies and departments to expand Program opportunities with State government and with entities awarded State contracts.

(f) Reporting. On or before February 15, 2023, the Department shall report Program data to the relevant committees of jurisdiction.

Sec. 12. WORK-BASED LEARNING AND TRAINING PROGRAM;

APPROPRIATION

In fiscal year 2023, the amount of \$1,500,000.00 is appropriated from the General Fund to the Department of Labor to implement the Vermont Work-Based Learning and Training Program created in Sec. 11 of this act.

Sec. 13. SECONDARY STUDENT INDUSTRY-RECOGNIZED

CREDENTIAL PILOT PROJECT

(a) Pilot Project creation. The Department of Labor, in consultation with the Agency of Education, shall design and implement the Secondary Student Industry-Recognized Credential Pilot Project to provide funding for an eligible secondary student to take an eligible adult career and technical education course.

(b) Eligible courses. A course is eligible for the Pilot Project if it is:

(1) offered at a regional CTE center, as defined in 16 V.S.A. § 1522(4), and qualifies as adult career technical education or postsecondary career technical education, as defined in 16 V.S.A. § 1522(11) and (12);

(2) offered during the summer, evening or weekend while secondary school is in session or during the summer; and

(3) included as an element of the student's personalized learning plan and reasonably related to the student's career goals.

(c) Eligible student. A student is eligible for the Pilot Project if:

(1) the student is a Vermont resident attending a Vermont public school or an independent secondary school that is eligible for public funding;

(2) the student has completed grade 11 and has not received a high school diploma; and

(3) the student's secondary school and the regional CTE center determine that the student:

(A) is prepared to succeed in the course;



(B) meets the prerequisites for the course; and

(C) has exhausted other sources of available funding prior to submitting an application.

(d) Administration.

(1) Not later than 30 days after the effective date of this section, the Department of Labor, in consultation with the Agency of Education, shall develop and make available an application for funding that includes:

(A) student's enrollment status;

(B) course information;

(C) a copy of the student's personalized learning plan;

(D) attestation that the secondary and adult career technical education programs find the program of study appropriate for the student;

(E) description of federal and local funding sources that were explored but insufficient or unavailable for use by the student; and

(F) other information the Department requires to determine eligibility.

(2) A student's secondary school shall timely complete and submit an application to the Department of Labor on behalf of the student.

(3) The Department of Labor shall:

(A) review the application and, if appropriate, meet with the student to determine eligibility for existing federal and State programs, including WIOA Title I Youth (in-school) and the Vermont Youth Employment Program; and

(B) provide a copy of the application to the Agency of Education, which shall determine whether Agency funding is available and notify the Department of its determination within 10 business days.

(4) The Department shall provide funding for the tuition cost for one course to eligible students on a first-come, first-served basis:

(A) from State or federal sources that are available through the Department or Agency; or

(B) if funding is unavailable from those sources, from the amounts available in the Department's fiscal year 2023 budget, not to exceed \$100,000.00.

(5) For students who meet annual low-income qualifications under the Workforce Innovation and Opportunity Act, the Department may provide funds to purchase books, supplies, exam fees, and equipment.

(6) A regional CTE center shall not receive more than \$20,000.00 through the program in each fiscal year.

(e) Regional CTE center report. The Department of Labor shall require a report from each regional CTE center providing information to support the Department's reporting requirements in subsections (f) and (g) of this section.

(f) Interim Report. The Department of Labor and Agency of Education shall report to the House and Senate Committees on Education, the House Committee on Commerce and Economic Development, and the Senate Committee on Economic Development, Housing and General Affairs on or before the January 15, 2023 regarding the use of funds, including data relating to student circumstances, levels of participation, and how local school districts are able or unable to meet the career preparation and training needs of secondary students using the program.

(g) Final Report. The Department of Labor and Agency of Education shall report to the House and Senate Committees on Education, the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, the House Committee on Ways and Means, and the Senate Committee on Finance within 45 days following the end of the fiscal year or exhaustion of funds, whichever comes first, regarding the use of funds, including data relating to the number of participants, student circumstances, levels of participation, what certifications were issued, how local school districts are able or unable to meet the career preparation and training needs of secondary students using the program, and recommendations on how to address gaps in access and funding for secondary students seeking professional certifications not offered through the secondary education system.

#### Sec. 14. THE VERMONT TRADES SCHOLARSHIP PROGRAM

(a) The Vermont Trades Scholarship Program is created and shall be administered by the Vermont Student Assistance Corporation. The Vermont Student Assistance Corporation shall disburse initial licensing fees, exam fees, and tuition payments under the Program on behalf of eligible individuals, subject to the appropriation of funds by the General Assembly for this purpose.

(b) To be eligible for a scholarship under the Program, an individual, whether a resident or nonresident, shall:

(1) be enrolled in an industry recognized training and certification program that leads to initial employment or career advancement in a building,

mechanical, industrial, or medical trade, or in clean energy, energy efficiency, weatherization, or clean transportation;

(2) demonstrate financial need;

(3) register with the Vermont Department of Labor for the purpose of receiving relevant job referrals, if unemployed; and

(4) agree to work in their profession in Vermont for a minimum of one year following licensure or certification completion for each year of scholarship awarded.

(c)(1) The Corporation shall give preference to students attending a Vermont-based training program or, if one isn't available for their certification, an offer of employment or promotion from a Vermont employer upon completion.

(2) The Corporation shall give priority to applicants who have not received other assistance.

(d) There shall be no deadline to apply for a scholarship under this section. Scholarships shall be awarded on a rolling basis if funds are available, and any funds remaining at the end of a fiscal year shall roll over and shall be available to the Vermont Student Assistance Corporation in the following fiscal year to award additional scholarships as set forth in this section.

(e) In fiscal year 2023 the amount of \$3,000,000.00 is appropriated from the General Fund to the Vermont Student Assistance Corporation for scholarships for trades students under the Vermont Trades Scholarship Program.

#### Sec. 15. THE VERMONT TRADES LOAN REIMBURSEMENT PROGRAM

(a) The Vermont Trades Loan Repayment Reimbursement Program is created and shall be administered by the Vermont Student Assistance Corporation. The Vermont Student Assistance Corporation shall disburse funds under the Program to eligible individuals, subject to the appropriation of funds by the General Assembly for this purpose.

(b) To be eligible for loan repayment under the Program, an individual, shall:

(1) be a Vermont resident; and

(2) be employed in an occupation in the building, mechanical, industrial, or medical trades, or in the clean energy, energy efficiency,

weatherization, or clean transportation sectors, for an average of at least 30 hours per week for least one full calendar year before applying.

(c) For every year of work in a qualifying occupation, an individual shall be eligible for up to \$5,000.00 in loan repayment reimbursement. Reimbursements shall not exceed the total amount of educational debt owed.

(d) There shall be no deadline to apply for loan repayment reimbursement under this section. Loan repayment shall be awarded on a rolling basis if funds are available, and any funds remaining at the end of a fiscal year shall roll over and shall be available to the Vermont Student Assistance Corporation in the following fiscal year to award additional loan repayment as set forth in this section.

(e) In fiscal year 2023 the amount of \$500,000.00 is appropriated from the General Fund to the Vermont Student Assistance Corporation for loan repayment for trades professionals under the Program.

#### Sec. 16. CTE CONSTRUCTION AND REHABILITATION

##### EXPERIENTIAL LEARNING PROGRAM; REVOLVING LOAN FUND

(a) Purpose. This section authorizes and provides funding for the CTE Construction and Rehabilitation Experiential Learning Program and Revolving Loan Fund, the purposes of which are to:

(1) expand the experiential and educational opportunities for high school and adult CTE students to work directly on construction projects;

(2) build community partnerships among CTE centers, housing organizations, government, and private businesses;

(3) beautify communities and rehabilitate buildings that are underperforming assets;

(4) expand housing access to Vermonters in communities throughout the State; and

(5) improve property values while teaching high school and adult students trade skills.

(b) Appropriation; creation of fund; administration.

(1) In fiscal year 2023, the amount of \$15,000,000.00 is appropriated from the Education Fund to the Vermont Housing and Conservation Board to create and administer the CTE Construction and Rehabilitation Experiential Learning Program and Revolving Loan Fund pursuant to this section.

(2) The Board may use not more than five percent of the Fund for its costs of administration.

(c) Proposals; applications; funding.

(1) A regional CTE center, working in collaboration with one or more housing and community partners, private businesses, nonprofit organizations, or municipalities, shall identify construction projects that would be relevant and appropriate for CTE students enrolled in construction, electrical, plumbing, design, business management, or other CTE programs, including:

(A) rehabilitation of residential properties that are blighted or not code-compliant;

(B) new residential construction projects or improvements to land in cases of critical community need; and

(C) commercial construction projects that have substantial community benefit.

(2) Prior to or during the application process, a CTE center and its partners may consult with the Board to identify and consider potential funding partners to leverage amounts available through the Fund.

(3) A CTE center and its partners shall apply to the Board for funding by submitting a project application that includes the information required by the Board and addresses the following:

(A) the educational benefits for students and fit with the CTE curriculum;

(B) the community benefits for the neighborhood, municipality, or region in which the project is located; and

(C) the partners with whom the CTE center is collaborating and the respective responsibility for the aspects of a project, including:

(i) educational instruction and academic credit;

(ii) project management;

(iii) insurance coverage for students and the property;

(iv) compensation and benefits, including compliance with labor laws, standards, and practices; and

(v) property acquisition, ownership, and transfer.

(4) A CTE center may use funding for, and shall specify in its application the allocation of costs associated with:

(A) acquisition, design, permitting, construction, marketing, and other building-related expenses; and

(B) costs for labor, including for student wages and for instructor compensation during the academic year as well as for summer or other work that is not otherwise budgeted during the academic year.

(d) Eligibility; review; approval. The Board may approve an application that includes the information required by subsection (c) of this section and provide funding for a project that meets the following eligibility criteria:

(1) The project involves the rehabilitation of blighted or otherwise noncode compliant property, or new residential construction projects or improvements to land in cases of critical need, and results in a building with not more than four residential dwelling units.

(2) The project includes a weatherization component.

(3) Students working on the project receive academic credit, a competitive wage, or both.

(e) Affordability; flexibility. If appropriate in the circumstances, the Board may condition funding for a project on the inclusion of one or mechanisms addressing the affordability of the property upon rent or sale.

(f) Funding; proceeds; revolving loans.

(1) The Board shall provide funding for projects from the amounts available in the Fund in the form of zero-interest loans, in an amount, for a period, and upon terms specified by the Board.

(2) The Board shall return to the Fund any proceeds realized to provide funding for future projects.

(g) Report. The Board shall address the implementation of this section in its annual report to the General Assembly.

## Sec. 17. EARLY CHILDHOOD EDUCATION; FINDINGS

The General Assembly finds that:

(1) while child care is an essential component of Vermont's economy, research has shown that three out of five of Vermont's youngest children do not have access to the child care needed by their families;

(2) according to the Federal Reserve Bank of New York, early childhood educators are the lowest-paid college graduates of any degree program in the country;

(3) the Council for a Strong America found in a national economic impact study that the U.S. economy loses \$57 billion annually due to child care challenges;

(4) the U.S. Chamber of Commerce Foundation found that high-quality child care is a powerful two-generation workforce development strategy that strengthens today's workforce and puts children on the path to develop well and enter kindergarten ready to thrive in school, work, and life;

(5) the Vermont Early Care and Learning Dividend Study found that increased investment in early care and education, as described in the recommendations of Vermont's Blue Ribbon Commission on Financing High-Quality Affordable Child Care, would yield \$3.08 for every additional dollar invested into the system;

(6) 2021 Acts and Resolves No. 45 established goals that no Vermont family spend more than 10 percent of its income on child care and that early childhood educators receive compensation commensurate with their peers in similar fields as informed by a systems analysis and financing study;

(7) while the State works toward achieving these goals, the COVID-19 pandemic has exacerbated already pressing challenges, making it even harder for families to find affordable high-quality child care and more difficult for early childhood education programs to find and retain qualified educators; and

(8) according to a recent study by the National Association for the Education of Young Children, 71 percent of center-based child care programs in Vermont reported experiencing a staffing shortage.

#### Sec. 18. EARLY CHILDHOOD EDUCATION; LEGISLATIVE INTENT

It is the intent of the General Assembly that immediate action is necessary to support Vermont's economy; ensure that all families with young children have access to affordable, high-quality early childhood education; and ensure that Vermont's early childhood educators, the backbone of our economy, are well supported.

#### Sec. 19. HEALTH CARE WORKFORCE; LEGISLATIVE INTENT

(a) The General Assembly values all health care workers, at every level and in each component of the health care system. The General Assembly also acknowledges the many struggles faced by health care workers and that the pandemic has placed further strain on an already taxed system. Many health care workers have not had their pay adjusted over time to address increases in the cost of living, essentially amounting to pay cuts from year to year. Health care workers have experienced burnout, trauma, and moral injuries due to a history of underfunding and the present stress of the pandemic.

(b) In order to retain and recruit health care workers in Vermont, it is the intent of the General Assembly to invest in multiple solutions aimed at reinforcing our health care workforce in the present and sustaining our health care workers into the future.

Sec. 20. EMERGENCY GRANTS TO SUPPORT NURSE FACULTY AND STAFF

(a) In fiscal year 2023 the amount of \$3,000,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Department of Health and shall carry forward for the purpose of providing emergency interim grants to Vermont's nursing schools over three years to increase the compensation for their nurse faculty and staff, with \$1,000,000.00 to be distributed in each of fiscal years 2023, 2024, and 2025 to increase the compensation for each full-time-equivalent (FTE) member of the clinical and didactic nurse faculty and staff. The Department shall distribute the funds among the nursing schools in Vermont equitably based on each school's proportion of nursing faculty and staff to the total number of FTE nursing faculty and staff across all nursing schools statewide.

(b) If the nurse faculty or staff, or both, of a nursing school receiving a grant under this section are subject to a collective bargaining agreement, the use of the grant funds provided to the nursing school for those faculty or staff, or both, shall be subject to impact bargaining between the nursing school and the collective bargaining representative of the nurse faculty or staff, or both, to the extent required by the applicable collective bargaining agreement.

Sec. 21. NURSE PRECEPTOR INCENTIVE GRANTS; HOSPITALS; WORKING GROUP; REPORT

(a)(1) In fiscal year 2023 the amount of \$2,400,000.00 is appropriated from the General Fund to the Agency of Human Services to provide incentive grants to hospital-employed nurses in Vermont to serve as preceptors for nursing students enrolled in Vermont nursing school programs. The Agency shall distribute the funds to hospitals employing nurses who provide student preceptor supervision based on the number of preceptor hours to be provided, at a rate of \$5.00 per preceptor hour, or a lesser hourly rate if the need exceeds the available funds.

(2) If nurse preceptors receiving compensation pursuant to a grant awarded to a hospital under this section are subject to a collective bargaining agreement, the use of the grant funds provided to the hospital for the nurse preceptors shall be subject to impact bargaining between the hospital and the collective bargaining representative of the nurses to the extent required by the collective bargaining agreement.



(b)(1) The Director of Health Care Reform or designee in the Agency of Human Services shall convene a working group of stakeholders representing nursing schools, long-term care facilities, designated and specialized service agencies, federally qualified health centers, home health agencies, primary care practices, and other health care facilities to:

(A) identify ways to increase clinical placement opportunities across a variety of health care settings for nursing students enrolled in Vermont nursing school programs;

(B) establish sustainable funding models for compensating nurses serving as preceptors or for supporting the hiring of additional nurses to alleviate the pressures on nurse preceptors, or both; and

(C) develop an action plan for implementing the clinical placement expansion and sustainable funding models identified and established pursuant to subdivisions (A) and (B) of this subdivision (1), including addressing the need for student housing opportunities.

(2) On or before January 15, 2023, the Director of Health Care Reform shall provide the working group's action plan and any recommendations for legislative action to the House Committees on Health Care, on Commerce and Economic Development, and on Appropriations and the Senate Committees on Health and Welfare, on Economic Development, Housing and General Affairs, and on Appropriations.

## Sec. 22. HEALTH CARE EMPLOYER NURSING PIPELINE AND APPRENTICESHIP PROGRAM

(a) In fiscal year 2023 the amount of \$3,000,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Vermont Student Assistance Corporation and shall carry forward for the purpose of providing grants to health care employers, including hospitals, long-term care facilities, designated and specialized service agencies, federally qualified health centers, and other health care providers, to establish or expand partnerships with Vermont nursing schools to create nursing pipeline or apprenticeship programs, or both, that will train members of the health care employers' existing staff, including personal care attendants, licensed nursing assistants, and licensed practical nurses, to become higher-level nursing professionals. Through a combination of scholarship awards, grants awarded to health care employers pursuant to this section, and the health care employer's contributions, the trainees' tuition and fees shall be covered in full, and trainees shall be provided with assistance in meeting their living costs, such as housing and child care, while attending the program.

(b) In awarding grants pursuant to this section, VSAC shall give priority to health care employer proposals based on the following criteria:

(1) the extent to which the health care employer proposes to participate financially in the program;

(2) the extent of the health care employer's commitment to sustaining the program financially, including providing financial support for nurse preceptors, to create ongoing opportunities for educational advancement in nursing;

(3) the ability of the health care employer's staff to leverage nursing scholarship opportunities to maximize the reach of the grant funds;

(4) the employer's demonstrated ability to retain nursing students in the Vermont nursing workforce;

(5) the employer's geographic location, in order to ensure access to pipeline and apprenticeship programs for nursing staff across Vermont; and

(6) the employer's commitment to advancing the professional development of individuals from marginalized communities, especially those that have been historically disadvantaged in accessing educational opportunities and career advancement in the health care professions.

(c)(1) VSAC shall begin awarding grants under this section expeditiously in order to enable health care employer staff to begin enrolling in nursing school programs that commence in the fall of 2022.

(2) On or before September 15, 2022, VSAC shall provide an update to the Health Reform Oversight Committee on the status of program implementation.

Sec. 23. 18 V.S.A. § 34 is added to read:

§ 34. VERMONT NURSING FORGIVABLE LOAN INCENTIVE

PROGRAM

(a) The Vermont Nursing Forgivable Loan Incentive Program is created and shall be administered by the Department of Health in collaboration with the Vermont Student Assistance Corporation. The Vermont Student Assistance Corporation shall disburse forgivable loan funds under the Program on behalf of eligible individuals, subject to the appropriation of funds by the General Assembly for this purpose.

(b) To be eligible for a forgivable loan under the Program, an individual, whether a resident or nonresident, shall:

(1) be enrolled at an approved postsecondary education institution as defined in 16 V.S.A. § 2822;

(2) demonstrate financial need;

(3) demonstrate academic capacity by carrying the minimum grade point average in the individual's course of study prior to receiving the fund award; and

(4) agree to work as a nurse in Vermont for a minimum of one year following licensure for each year of forgivable loan awarded.

(c)(1) First priority for forgivable loan funds shall be given to students pursuing a practical nursing certificate who will be eligible to sit for the NCLEX-PN examination upon completion of the certificate.

(2) Second priority for forgivable loan funds shall be given to students pursuing an associate's degree in nursing who will be eligible to sit for the NCLEX-RN examination upon graduation.

(3) Third priority for forgivable loan funds shall be given to students pursuing a bachelor of science degree in nursing.

(4) Fourth priority shall be given to students pursuing graduate nursing education.

(d) Students attending an approved postsecondary educational institution in Vermont shall receive first preference for forgivable loans.

(e) There shall be no deadline to apply for a forgivable loan under this section. Forgivable loans shall be awarded on a rolling basis as long as funds are available, and any funds remaining at the end of a fiscal year shall roll over and shall be available to the Department of Health and the Vermont Student Assistance Corporation in the following fiscal year to award additional forgivable loans as set forth in this section.

#### Sec. 24. REPEAL

18 V.S.A. § 31 (educational assistance; incentives; nurses) is repealed.

#### Sec. 25. VERMONT NURSING FORGIVABLE LOAN INCENTIVE PROGRAM; APPROPRIATION

In fiscal year 2023, the amount of \$100,000.00 in General Fund investment funds is appropriated to the Department of Health for forgivable loans for nursing students under the Vermont Nursing Forgivable Loan Incentive Program established in Sec. 23 of this act.

Sec. 26. 18 V.S.A. § 35 is added to read:

§ 35. VERMONT NURSING AND PHYSICIAN ASSISTANT LOAN

REPAYMENT PROGRAM

(a) As used in this section:

(1) “Corporation” means the Vermont Student Assistance Corporation established in 16 V.S.A. § 2821.

(2) “Eligible individual” means an individual who satisfies the eligibility requirements for loan repayment under this section.

(3) “Eligible school” means an approved postsecondary education institution, as defined under 16 V.S.A. § 2822.

(4) “Loan repayment” means the cancellation and repayment of loans under this section.

(5) “Loans” means education loans guaranteed, made, financed, serviced, or otherwise administered by the Corporation under this subchapter for attendance at an eligible school.

(6) “Program” means the Vermont Nursing and Physician Assistant Loan Repayment Program created under this section.

(b) The Vermont Nursing and Physician Assistant Loan Repayment Program is created and shall be administered by the Department of Health in collaboration with the Corporation. The Program provides loan repayment on behalf of individuals who live and work as a nurse or physician assistant in this State 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 the Corporation, subject to the appropriation of funds by the General Assembly specifically 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 has, within the past five years, been awarded a nursing degree or a degree in physician assistant studies;

(2) had the minimum grade point average or better or the equivalent as determined by the Corporation if the eligible school does not use grade point averages from the eligible school;

(3) work as a nurse or physician assistant in this State; and

(4) 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 or physician assistant in this State.

(2) The Corporation 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) The Corporation shall adopt policies, procedures, and guidelines necessary to implement the provisions of this section.

Sec. 27. VERMONT NURSING AND PHYSICIAN ASSISTANT LOAN  
REPAYMENT PROGRAM; APPROPRIATION

In fiscal year 2023 the amount of \$2,000,000.00 is appropriated from the General Fund to the Department of Health for loan repayment for nurses and physician assistants under the Vermont Nursing and Physician Assistant Loan Repayment Program established in Sec. 26 of this act.

Sec. 28. 18 V.S.A. § 36 is added to read:

§ 36. NURSE FACULTY FORGIVABLE LOAN AND LOAN  
REPAYMENT PROGRAM

(a) Definitions. As used in this section:

(1) "Eligible individual" means an individual who satisfies the eligibility requirements under this section for a forgivable loan or loan repayment.

(2) "Eligible school" means an approved postsecondary education institution, as defined under 16 V.S.A. § 2822.

(3) "Forgivable loan" means a loan awarded under this section covering tuition, room, board, and the cost of required books and supplies for up to full-time attendance at an eligible school.

(4) "Gift aid" means grant or scholarship financial aid received from the federal government or from the State.

(5) "Loan repayment" means the cancellation and repayment of loans under this section.

(6) "Loans" means education loans guaranteed, made, financed, serviced, or otherwise administered by the Corporation under this subchapter for attendance at an eligible school.

(7) “Nurse faculty member” or “member of the nurse faculty” means a nurse with a master’s or doctoral degree that qualifies the individual to teach at a nursing school in this State.

(8) “Program” means the Nurse Faculty Forgivable Loan and Loan Repayment Program created under this section.

(b) Program creation. The Nurse Faculty Forgivable Loan and Loan Repayment Program is created and shall be administered by the Department of Health in collaboration with the Corporation. The Program provides forgivable loans to students enrolled in an eligible school who commit to working as a member of the nurse faculty at a nursing school in this State and who meet the eligibility requirements in subsection (d) of this section. The Program also provides loan repayment on behalf of individuals who work as nurse faculty members at a nursing school in this State and who meet the eligibility requirements in subsection (e) of this section.

(c) Payment. The forgivable loan and loan repayment benefits provided under the Program shall be paid on behalf of the eligible individual by the Corporation, subject to the appropriation of funds by the General Assembly specifically for this purpose.

(d) Eligibility for forgivable loans. To be eligible for a forgivable loan under the Program, an individual, whether a resident or nonresident, shall satisfy all of the following requirements:

(1) be enrolled at an eligible school in a program that leads to a graduate degree in nursing;

(2) continually demonstrate satisfactory academic progress by maintaining the minimum grade point average or better or the equivalent as determined by the Corporation if the eligible school does not use grade point averages;

(3) have used any available gift aid;

(4) have executed a contract with the Corporation committing the individual to work as a member of the nurse faculty at a nursing school in this State;

(5) have executed a promissory note that will reduce the individual’s forgivable loan benefit, in whole or in part, if the individual fails to complete the period of service required in subsection (f) of this section; and

(6) have completed the Program’s application form, the free application for federal student aid (FAFSA), and the Vermont grant application each academic year of enrollment in accordance with a schedule determined by the Corporation.

(e) Eligibility for loan repayment. To be eligible for loan repayment under the Program, an individual shall satisfy all of the following requirements:

(1) graduated from an eligible school where the individual has, within the past five years, been awarded a graduate degree in nursing;

(2) had the minimum grade point average or better or the equivalent as determined by the Corporation if the eligible school does not use grade point averages from the eligible school;

(3) work as a member of the nurse faculty at a nursing school in this State; and

(4) be a resident of Vermont.

(f) Service commitment.

(1) Forgivable loans. For each year of service as a nurse faculty member at a nursing school in this State, an eligible individual shall be entitled to a full academic year of forgivable loan benefit under the Program. If an eligible individual fails to serve as a nurse faculty member at a nursing school in this State for a period that would entitle the individual to the full forgivable loan benefit received by the individual, other than for good cause as determined by the Corporation in consultation with the Vermont Department of Health, then the individual shall receive only partial loan forgiveness for a pro rata portion of the loan pursuant to the terms of the interest-free reimbursement promissory note signed by the individual at the time of entering the Program.

(2) Loan repayment. 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.

(g) Adoption of policies, procedures, and guidelines. The Corporation shall adopt policies, procedures, and guidelines necessary to implement the provisions of this section.

#### Sec. 29. NURSE FACULTY FORGIVABLE LOAN AND LOAN

##### REPAYMENT PROGRAM; APPROPRIATION

In fiscal year 2023, the amount of \$500,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Department of Health for forgivable loans and loan repayment for nurse faculty members under the Nurse Faculty Forgivable Loan and Loan Repayment Program established in Sec. 28 of this act.

Sec. 30. 18 V.S.A. § 9456 is amended to read:

§ 9456. BUDGET REVIEW

(a) The Board shall conduct reviews of each hospital's proposed budget based on the information provided pursuant to this subchapter and in accordance with a schedule established by the Board.

(b) In conjunction with budget reviews, the Board shall:

\* \* \*

(10) require each hospital to provide information on administrative costs, as defined by the Board, including specific information on the amounts spent on marketing and advertising costs; ~~and~~

(11) require each hospital to create or maintain connectivity to the State's Health Information Exchange Network in accordance with the criteria established by the Vermont Information Technology Leaders, Inc., pursuant to subsection 9352(i) of this title, provided that the Board shall not require a hospital to create a level of connectivity that the State's Exchange is unable to support;

(12) review the hospital's investments in workforce development initiatives, including nursing workforce pipeline collaborations with nursing schools and compensation and other support for nurse preceptors; and

(13) consider the salaries for the hospital's executive and clinical leadership and the hospital's salary spread, including a comparison of median salaries to the medians of northern New England states.

\* \* \*

Sec. 31. GREEN MOUNTAIN CARE BOARD; FISCAL YEAR 2023

HOSPITAL BUDGET REVIEW; NURSING WORKFORCE

DEVELOPMENT INITIATIVES

For hospital fiscal year 2023, the Green Mountain Care Board may exclude all or a portion of a hospital's investments in nursing workforce development initiatives from any otherwise applicable financial limitations on the hospital's budget or budget growth. Notwithstanding any provision of GMCB Rule 3.202, the Board may modify its hospital budget guidance for hospital fiscal year 2023 as needed to comply with this section.



## Sec. 32. AGENCY OF HUMAN SERVICES; HEALTH CARE

## WORKFORCE DATA CENTER

(a) In fiscal year 2023, the amount of \$1,000,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Office of Health Care Reform in the Agency of Human Services to enable the Agency to establish and operate the statewide Health Care Workforce Data Center. In order to enhance the State's public health data systems, respond to the COVID-19 public health emergency, and improve the State's COVID-19 mitigation and prevention efforts, the Center shall collect health care workforce data, shall collaborate with the Director of Health Care Reform to identify and propose solutions to address data gaps, and shall share the data with the Green Mountain Care Board as appropriate to inform the Board's Health Resource Allocation Plan responsibilities pursuant to 18 V.S.A. § 9405.

(b) The Center shall use existing statewide information to the extent practicable to avoid imposing administrative burdens on health care providers and to avoid duplication of efforts underway elsewhere in Vermont. The Center shall expand its data collection practices over two years to include all levels of the health care workforce, beginning with the highest-level licensed health care professionals.

(c) In order to ensure the Center has access to accurate and timely health care workforce data, the Center:

(1) shall have the cooperation of other State agencies and departments in responding to the Center's requests for information;

(2) may enter into data use agreements with institutions of higher education and other public and private entities, to the extent permitted under State and federal law; and

(3) may collect vacancy and turnover information from health care employers.

(d) One permanent classified Health Care Workforce Data Center Manager position is created in the Agency of Human Services, Office of Health Care Reform in fiscal year 2023 to manage the Health Care Workforce Data Center created pursuant to this section.

(e) The Agency of Human Services may include proposals for additional funding or data access, or both, for the Center as part of the Agency's fiscal year 2024 budget request.

Sec. 33. OFFICE OF PROFESSIONAL REGULATION; BARRIERS TO  
MENTAL HEALTH LICENSURE; REPORT

The Office of Professional Regulation shall undertake a systematic review of the licensing processes for mental health and substance use disorder treatment professionals to identify barriers to licensure. On or before January 15, 2023, the Office shall provide its findings and recommendations to address any identified barriers to licensure to the House Committees on Health Care, on Human Services, on Commerce and Economic Development, and on Government Operations and the Senate Committees on Health and Welfare, on Economic Development, Housing and General Affairs, and on Government Operations.

Sec. 34. AGENCY OF HUMAN SERVICES; POSITION;  
APPROPRIATION

(a) One classified, three-year limited-service Health Care Workforce Coordinator position is created in the Agency of Human Services, Office of Health Care Reform in fiscal year 2023 to support the health care workforce initiatives set forth in this act and in the Health Care Workforce Development Strategic Plan. The Coordinator shall focus on building educational, clinical, and housing partnerships and support structures to increase and improve health care workforce training, recruitment, and retention.

(b) In fiscal year 2023 the amount of \$170,000.00 is appropriated from the General Fund to the Agency of Human Services, Office of Health Care Reform for the Health Care Workforce Coordinator position, of which \$120,000.00 is for personal services and \$50,000.00 is for operating expenses.

Sec. 35. DEPARTMENT OF LABOR; GREEN MOUNTAIN CARE  
BOARD; SUPPLY AND DEMAND MODELING

On or before January 15, 2023, the Department of Labor, in collaboration with the Green Mountain Care Board, shall explore and recommend to the House Committees on Health Care, on Human Services, and on Commerce and Economic Development and the Senate Committees on Health and Welfare and on Economic Development, Housing and General Affairs a process, methodology, and necessary funding amounts to establish and maintain the capacity to perform health care supply and demand modeling based on information in the Health Care Workforce Data Center, for use by health care employers, health care educators, and policymakers.

Sec. 36. DEPARTMENT OF FINANCIAL REGULATION; GREEN  
MOUNTAIN CARE BOARD; PRIOR AUTHORIZATIONS;  
ADMINISTRATIVE COST REDUCTION; REPORT

(a) The Department of Financial Regulation shall explore the feasibility of requiring health insurers and their prior authorization vendors to access clinical data from the Vermont Health Information Exchange whenever possible to support prior authorization requests in situations in which a request cannot be automatically approved.

(b) The Department of Financial Regulation shall direct health insurers to provide prior authorization information to the Department in a format required by the Department in order to enable the Department to analyze opportunities to align and streamline prior authorization request processes. The Department shall share its findings and recommendations with the Green Mountain Care Board, and the Department and the Board shall collaborate to provide recommendations to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance on or before January 15, 2023 regarding the statutory changes necessary to align and streamline prior authorization processes and requirements across health insurers.

Sec. 37. 33 V.S.A. § 3543 is amended to read:

§ 3543. STUDENT LOAN REPAYMENT ASSISTANCE

(a)(1) There is established a need-based student loan repayment assistance program for the purpose of providing student loan repayment assistance to any individual employed by a regulated, privately operated center-based child care program or family child care home.

(2) An eligible individual shall:

(A) work in a privately operated center-based child care program or in a family child care home that is regulated by the Division for at least an average of 30 hours per week for 48 weeks of the year, except that this minimum time requirement does not apply to an employee of Vermont Head Start to the extent it conflicts with any law or contract provision governing the terms of employment;

(B) receive an annual salary of not more than \$50,000.00; and

(C) have earned an associates or bachelor's degree with a major concentration in early childhood, child and human development, elementary education, special education with a birth to age eight focus, or child and family services within the preceding five years.

\* \* \*

Sec. 38. PILOT PROGRAM; POSITIONS EMBEDDED WITHIN  
RECOVERY CENTERS

(a)(1) In fiscal year 2023 the amount of \$1,290,000.00 is appropriated from the General Fund to the Department for Disabilities, Aging, and Independent Living's Division of Vocation Rehabilitation for the purpose of developing and implementing a two-year pilot program that authorizes 15 FTE new limited-service positions embedded within 12 recovery centers across the State.

(2) The 15 FTE limited-service positions shall be allocated as follows:

(A) Of the total appropriation, \$540,000.00 total shall be allocated in equal amounts to fund the following 2.5 FTE at each of two geographically diverse recovery centers:

(i) one FTE to serve as an employment counselor within the Division of Vocation Rehabilitation;

(ii) one FTE to serve as an employment consultant within the Vermont Association of Business Industry and Rehabilitation; and

(iii) 0.5 FTE to serve as Employment Assistance Program staff within the Division of Vocation Rehabilitation.

(B) Of the total appropriation, \$75,000.00 shall be allocated in equal amounts to fund one FTE who shall serve as an employment support counselor at each of the 10 remaining recovery centers in the State.

(b) On or before January 1, 2024, the Division of Vocational Rehabilitation, in collaboration with the Vermont Association of Business Industry and Rehabilitation, shall submit a report to the House Committees on Commerce and Economic Development and on Human Services and to the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare summarizing the effectiveness of the pilot program, including:

- (1) educational attainment and achievement of program recipients;
- (2) acquisition of a credential of value pursuant to 10 V.S.A. § 546;
- (3) number of job placements; and
- (4) job retention rates.

## Sec. 39. CREDENTIAL OF VALUE GOAL; PUBLIC-PRIVATE

## PARTNERSHIP; APPROPRIATION

(a) Duties. In fiscal year 2023, the amount of \$150,000.00 is appropriated from the General Fund to the Vermont Student Assistance Corporation for a performance-based contract to perform the following duties, in coordination and alignment with State partners, in support of the State's goal articulated in 10 V.S.A. § 546 that 70 percent of working-age Vermonters hold a credential of value by 2025 (Goal):

(1) increase public awareness of the value of postsecondary education and training to help persons of any age make informed decisions about the value of education and training that would further their advancement in educational pathways and pursuit of career goals, through targeted outreach as outlined in subsection (b) of this section;

(2) promote a broad understanding of the public good and value in achieving the State's Goal and of actions stakeholders can take to increase attainment;

(3) assist or coordinate with stakeholders, such as educational, business, governmental, nonprofit, and philanthropic organizations, in activities that seek to align the delivery of high-quality education and training opportunities with career advancement and support the policy priorities outlined in 10 V.S.A. § 546;

(4) collect and display publicly available, nonconfidential information about postsecondary credentials available to Vermonters;

(5) facilitate conversations or provide information about the national best practices in aligning, recognizing, measuring, tracking, and promoting postsecondary credentials of value to the Vermont Department of Labor and Agency of Education when requested;

(6) maintain web-based resources that provide information about opportunities to obtain a postsecondary credential of value, in coordination with State partners;

(7) support the Vermont Department of Labor and Agency of Education transition or integration of Advance Vermont's web-based resources and collected information referenced in subdivisions (4) and (6) of this subsection into a State-supported system in a coordinated way; and

(8) meet on a quarterly basis with the Vermont Department of Labor and Agency of Education about activities described in this subsection.

(b) Outreach. The contractor may use funds awarded by the State to:

(1) create and distribute public-facing communications and resources related to the duties described in this section; and

(2) offer support to career and education counselors, employment and training counselors, jobseekers and their families, and other stakeholders, consistent with best practice and State policy and programs, to help them better understand the postsecondary education and training landscape.

(c) Reports. The contractor shall provide written reports to:

(1) the Vermont Department of Labor and Agency of Education about anticipated work and activities using a simplified reporting template jointly developed by the contractor and the State entities on a quarterly basis; and

(2) on or before December 15, 2022, the House and Senate committees of jurisdiction regarding the use of funds, activities performed, and outcomes achieved pursuant to this section.

Sec. 40. VERMONT SERVE, LEARN, AND EARN PROGRAM;

#### APPROPRIATION

In fiscal year 2023, the amount of \$2,000,000.00 is appropriated from the General Fund to the Department of Forests, Parks and Recreation to provide funding for capital and operating needs of groups participating in the Vermont Serve, Learn, and Earn Program, which supports workforce development goals through creating meaningful paid service and learning opportunities for young adults.

Sec. 41. ADULT EDUCATION AND LITERACY; FINDINGS

The General Assembly finds:

(1) Adult education and literacy services are a key piece of the workforce development system and serve as the entryway into career readiness and workforce development for tens of thousands of our most vulnerable Vermonters, those with low literacy, under-education, or those simply in need of increased skills so that they can succeed.

(2) 36,000 adults in Vermont do not have a high school credential, and tens of thousands more lack the skills to matriculate into and be successful in college, in career training programs, or both. Adult education and literacy providers are the first stop on the path to the transformative opportunities that Vermont is offering for these individuals.

(3) Adult education and literacy services help people build the assets they need to move out of poverty successfully, as well as the confidence to continue to move toward success throughout their lives. Students are supported

to identify concrete goals and then break those goals down into steps. Students set goals in the domains of:

- (A) family and life;
- (B) academics; and
- (C) career and college readiness.

Sec. 42. FINDINGS; FOREST FUTURE STRATEGIC ROADMAP

The General Assembly finds for the purposes of this section and Secs. 43 to 45 of this act:

(1) Private and public forestlands:

(A) constitute unique and irreplaceable resources, benefits, and values of statewide importance;

(B) contribute to the protection and conservation of wildlife habitat, air, water, and soil resources of the State;

(C) mitigate the effects of climate change; and

(D) benefit the general health and welfare of the persons of the State.

(2) The forest products sector, including maple sap collection:

(A) is a major contributor to and is valuable to the State's economy by providing nearly 14,000 jobs for Vermonters, generating \$2.1 billion in annual sales, and supporting \$30.8 million in additional economic activity from trail uses and seasonal tourism;

(B) is essential to the manufacture of forest products that are used and enjoyed by the persons of the State; and

(C) benefits the general welfare of the persons of the State.

(3) Private and public forestlands are critical for and contribute significantly to the State's outdoor recreation and tourism economies.

(4) Eighty percent of Vermont's forestland is held in private ownership, of which 56 percent of private lands are enrolled in the forestland category of Vermont's Use Value Appraisal Program (UVA). UVA is Vermont's most important conservation program and contains the largest foundation of supply to support a vibrant forest-based rural economy.

(5) Economic realities and demand pressures for urban, commercial, and residential land uses throughout the State continue to challenge forest landowners trying to maintain intact forests. Forest fragmentation can adversely affect the natural environment and viable forest management.

Addressing the economic and social needs of the forest products sector is paramount to keeping forests intact, viable, and healthy.

(6) The encouragement, development, improvement, and preservation of forestry operations will result in extant, intact, and functioning forests that will provide a general benefit to the health and welfare of the persons of the State and the State's economy.

(7) To strengthen, promote, and protect the Vermont forest products sector, the State should establish the Vermont Forest Future Strategic Roadmap.

Sec. 43. 10 V.S.A. chapter 82 is added to read:

CHAPTER 82. VERMONT FOREST FUTURE STRATEGIC ROADMAP

§ 2531. VERMONT FOREST FUTURE STRATEGIC ROADMAP

(a) Creation. The Commissioner of Forests, Parks and Recreation shall create the Vermont Forest Future Strategic Roadmap to strengthen, modernize, promote, and protect the forest products sector in Vermont. The Commissioner of Forests, Parks and Recreation may contract with a qualified contractor for the creation of the Vermont Forest Future Strategic Roadmap. During the contract proposal process, the Commissioner of Forests, Parks and Recreation shall seek a proposal to complete the Vermont Forest Future Strategic Roadmap from the Vermont Sustainable Jobs Fund.

(b) Intended outcomes. The intended outcomes of the Vermont Forest Future Strategic Roadmap are to:

(1) increase sustainable economic development and jobs in Vermont's forest economy;

(2) promote ways to expand the workforce and strengthen forest product enterprises in order to strengthen, modernize, promote, and protect the Vermont forest economy into the future;

(3) promote the importance of healthy, resilient, and sustainably managed working forests that provide a diverse array of high-quality products now and in the future; and

(4) identify actionable strategies designed to strengthen, modernize, promote, and protect the forest products sector in Vermont, including opportunities for new product development, opening new markets for Vermont forest products, adopting modern manufacturing processes, and utilizing new ways to market Vermont forest products.



(c) Strategic Roadmap content. In developing the Vermont Forest Future Strategic Roadmap, the Commissioner of Forests, Parks and Recreation or the relevant contractor shall:

(1) review all existing data, plans, and industry-level research completed over the past 10 years, including the Working Lands Enterprise Fund's Forest Sector Systems Analysis, and identify any recommendations in those reports in order to build upon previous efforts;

(2) identify infrastructure investment and funding to support and promote Vermont forest products enterprises;

(3) identify regulatory barriers and propose policy recommendations to support and strengthen the Vermont forest economy;

(4) identify opportunities for all State agencies to engage with and enhance the Vermont forest products sector, including the Department of Buildings and General Services, the Agency of Commerce and Community Development, the Department of Tourism and Marketing, the Agency of Education, the Agency of Transportation, the Department of Public Service, the Agency of Natural Resources, the Department of Financial Regulation, and the Department of Labor;

(5) develop recommendations to support education and training of the current and future workforce of the Vermont forest products sector;

(6) propose alternatives for the modernization of transportation and regulation of Vermont forest products enterprises, including modernization of local and State permits;

(7) identify methods or programs that Vermont forest enterprises can utilize to access business assistance services;

(8) recommend how to maintain access by Vermont forest products enterprises to forestland and how to maintain the stewardship and conservation of Vermont forests as a whole;

(9) propose methods to enhance market development and manufacturing by Vermont forest products enterprises, including value chain coordination and regional partnerships;

(10) recommend consumer education and marketing initiatives; and

(11) recommend how to clarify the roles of various public entities and nongovernmental organizations that provide certain services to the forestry sector and to ensure coordination and alignment of those functions in order to advance and maximize the strength of the forest products industry.

(d) Process for development of Vermont Forest Future Strategic Roadmap.

(1) The Commissioner of Forests, Parks and Recreation or relevant contractor shall develop the Vermont Forest Future Strategic Roadmap and all subsequent revisions through the use of a public stakeholder process that includes and invites participation by interested parties representing all users of Vermont's forests, including representatives of forest products enterprises, State agencies, investors, forestland owners, recreational interests, loggers, foresters, truckers, sawmills, firewood processors, wood products manufacturers, education representatives, and others.

(2) The Commissioner of Forests, Parks and Recreation, in collaboration with forest products sector stakeholders, shall review the Strategic Roadmap periodically and shall update the Strategic Roadmap at least every 10 years.

(e) Advisory panel; administration.

(1) The Commissioner of Forests, Parks and Recreation or relevant contractor shall convene a Vermont Forest Future Strategic Roadmap advisory panel to review and counsel in the development and implementation of the Vermont Forest Future Strategic Roadmap. The advisory panel shall include representatives of forest products enterprises, State agencies, investors, forestland owners, foresters, loggers, truckers, wood products manufacturers, recreational specialists, education representatives, trade organizations, and other partners as deemed appropriate. The Commissioner of Forests, Parks and Recreation shall select representatives to the advisory panel.

(2) The Commissioner of Forests, Parks and Recreation or relevant contractor may seek grants or other means of assistance to support the development and implementation of the Vermont Forest Future Strategic Roadmap.

#### Sec. 44. IMPLEMENTATION

(a) The Commissioner of Forests, Parks and Recreation or relevant contractor shall submit to the General Assembly:

(1) draft recommendations for the Vermont Forest Future Strategic Roadmap on or before July 1, 2023; and

(2) a final report and recommendations for the Vermont Forest Future Strategic Roadmap on or before January 1, 2024.

(b) Any recommendation submitted under this section shall include recommended appropriations sufficient to implement the recommendation or the Vermont Forest Future Strategic Roadmap as a whole.

## Sec. 45. APPROPRIATIONS

In addition to any other funds appropriated to the Department of Forests, Parks and Recreation, in fiscal year 2023 the amount of \$250,000.00 is appropriated from the General Fund to the Department to enter a two-year contract in fiscal year 2023 for the purpose of contracting for the development of the Vermont Forest Future Strategic Roadmap required by 10 V.S.A. § 2531.

## \* \* \* Capital Investment Grant Program \* \* \*

Sec. 46. 2021 Acts and Resolves No. 74, Sec. H.18 is amended to read:

## Sec. H.18 CAPITAL INVESTMENT GRANT PROGRAM

(a) Creation; purpose; regional outreach.

(1) The Agency of Commerce and Community Development shall use the \$10,580,000 appropriated to the Department of Economic Development in Sec. G.300(a)(12) of this act to design and implement a capital investment grant program consistent with this section.

(2) The purpose of the program is to make funding available for transformational projects that will provide each region of the State with the opportunity to attract businesses, retain existing businesses, create jobs, and invest in their communities by encouraging capital investments and economic growth.

(3) The Agency shall collaborate with other State agencies, regional development corporations, regional planning commissions, and other community partners to identify potential regional applicants and projects to ensure the distribution of grants throughout the regions of the State.

(b) Eligible applicants.

(1) To be eligible for a grant, an applicant shall comply with the Department of Treasury Final Rule implementing the Coronavirus State and Local Fiscal Recovery Funds established under the American Rescue Plan Act and meet the following criteria:

(A) The applicant is located within this State.

(B) The applicant is:

(i)(I) a for-profit entity with not less than a 10 percent equity interest in the project; or

(II) a nonprofit entity; and

(ii) grant funding from the Program represents not more than 50 20 percent of the total project cost.

(C) The applicant demonstrates:

- (i) community and regional support for the project;
- (ii) that grant funding is needed to complete the project;
- (iii) leveraging of additional sources of funding from local, State, or federal economic development programs; and
- (iv) an ability to manage the project, with requisite experience and a plan for fiscal viability.

(2) The following are ineligible to apply for a grant:

- (A) a State or local government-operated business;
- (B) a municipality;
- (C) a business that, together with any affiliated business, owns or operates more than 20 locations, regardless of whether those locations do business under the same name or within the same industry; and
- (D) a ~~publicly-traded~~ publicly traded company.

(c) Awards; amount; eligible uses.

(1) An award shall not exceed the lesser of ~~\$1,500,000.00~~ \$1,000,000 or ~~the estimated net State fiscal impact of the project based on Agency modeling~~ 20 percent of the total project cost.

(2) A recipient may use grant funds for the acquisition of property and equipment, construction, renovation, and related capital expenses.

(3) A recipient may combine grant funds with funding from other sources but shall not use grant funds from multiple sources for the same costs within the same project.

(4) The Agency shall release grant funds upon determining that the applicant has met all Program conditions and requirements.

(5) Nothing in this section is intended to prevent a grant recipient from applying for additional grant funds if future amounts are appropriated for the program.

(d) ~~Data model; approval.~~

~~(1) The Agency shall collaborate with the Legislative Economist to design a data model and related methodology to assess the fiscal, economic, and societal impacts of proposals and prioritize them based on the results.~~

~~(2) The Agency shall present the model and related methodology to the Joint Fiscal Committee for its approval not later than September 1, 2021. [Repealed.]~~

(e) Application process; decisions; awards.

(1)(A) The Agency shall accept applications on a rolling basis for three-month periods and shall review and consider for approval the group of applications it has received as of the conclusion of each three-month period.

(B) The Agency shall make application information available to the Legislative Economist and the Executive Economist in a timely manner.

~~(2) Using the data model and methodology approved by the Joint Fiscal Committee, the Agency shall analyze the information provided in an application to estimate the net State fiscal impact of a project, including the following factors:~~

~~(A) increase to grand list value;~~

~~(B) improvements to supply chain;~~

~~(C) jobs impact, including the number and quality of jobs; and~~

~~(D) increase to State GDP. [Repealed.]~~

(3) The Secretary of Commerce and Community Development shall appoint an interagency team, which may include members from among the Department of Economic Development, the Department of Housing and Community Development, the Agency of Agriculture, Food and Markets, the Department of Public Service, the Agency of Natural Resources, or other State agencies and departments, which team shall review, analyze, and recommend projects for funding consistent with the guidelines the Agency develops in coordination with the Joint Fiscal Office and based on the estimated net State fiscal impact of a project and on other contributing factors, including the following:

(A) transformational nature of the project for the region;

(B) project readiness, quality, and demonstrated collaboration with stakeholders and other funding sources;

(C) alignment and consistency with regional plans and priorities; and

(D) creation and retention of workforce opportunities.

(4) The Secretary of Commerce and Community Development shall consider the recommendations of the interagency team and shall give final approval to projects.

(f) Grant agreements; post award monitoring.

(1) If selected by the Secretary, the applicant and the Agency shall execute a grant agreement that includes audit provisions and minimum requirements for the maintenance and accessibility of records that ensures that the Agency and the Auditor of Accounts have access and authority to monitor awards.

(2) The Agency shall publish on its website not later than 30 days after approving an award a brief project description, the name of the grantee, and the amount of a grant.

(g) Report. On or before ~~December 15, 2021~~ February 15, 2023, the Agency shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning the implementation of this section, including:

(1) a description of the implementation of the program;

(2) the promotion and marketing of the program;

(3) an analysis of the utilization and performance of the program, ~~including the projected revenue impacts and other qualitative and quantitative returns on investment in the program based on available data and modeling.~~

(h) Implementation.

(1) The Agency of Commerce and Community Development shall consult with the Legislative Joint Fiscal Office to develop guidelines and approval processes for the Capital Investment Grant Program and shall submit the proposed guidelines and processes to the Joint Fiscal Committee and the chairs of the relevant legislative committees of jurisdiction prior to accepting applications for grants through the Program.

(2) When considering whether and how to prioritize economic sectors that have suffered economic harm due to the COVID-19 pandemic, the Agency may designate one or more sectors for priority consideration through the Program, including the arts and culture, travel, lodging, tourism, agriculture, and child care sectors.

\* \* \* VEDA Short-Term Forgivable Loans \* \* \*

#### Sec. 47. VEDA SHORT-TERM FORGIVABLE LOANS

(a) Creation. The Vermont Economic Development Authority shall create a Short-Term Forgivable Loan Program to support Vermont businesses experiencing continued working capital shortfalls as a result of the COVID-19 public health emergency.

(b) Eligible business. An eligible borrower is a for-profit or nonprofit business:

- (1) with fewer than 500 employees;
- (2) located in Vermont;
- (3) that was in operation or had taken substantial steps toward becoming operational as of March 13, 2020; and
- (4) that can identify economic harm caused by or exacerbated by the pandemic.

(c) Economic harm.

(1) An applicant shall demonstrate economic harm from lost revenue, increased costs, challenges covering payroll, rent or mortgage interest, or other operating costs that threaten the capacity of the business to weather financial hardships and result in general financial insecurity due to the COVID-19 public health emergency.

(2) The Authority shall measure economic harm by a material decline in the applicant's annual adjusted net operating income before the COVID-19 public health emergency relative to its annual adjusted net operating income during the COVID-19 public health emergency.

(3) When assessing an applicant's adjusted net operating income, the Authority shall consider previous COVID-19 State and federal subsidies, reasonable owner's compensation, noncash expenses, extraordinary items, and other adjustments deemed appropriate. The Authority shall also consider whether other State or federal assistance is or may become available and appropriate for the business and shall not provide assistance for the same costs that are covered by another program.

(4) To be eligible for a loan, the Authority shall determine that a business has experienced at least a 20 percent reduction in its adjusted net operating income in calendar years 2020 and 2021 combined as compared to 2019, or other appropriate basis of comparison where necessary.

(d) Maximum loan. The Authority shall determine the amount of a loan award pursuant to guidelines adopted pursuant to subsection (f) of this section, provided that a loan shall not exceed the lesser of:

- (1) \$500,000.00;
- (2) six months of eligible operating expenses; or
- (3) the amount of the cumulative decline in adjusted net operating income during the COVID-19 public health emergency in 2020 and 2021.

(e) Eligible use of loan; loan forgiveness.

(1) A loan recipient may use loan proceeds to pay for eligible operating expenses but shall not use the proceeds for capital expenditures.

(2) The Authority shall approve loan forgiveness based on documentation evidencing loan proceeds were used to pay for eligible operating expenses.

(f) Guidelines. The Vermont Economic Development Authority shall consult with the Legislative Joint Fiscal Office to develop guidelines and approval processes for the VEDA Short-Term Forgivable Loan Program and shall submit the proposed guidelines and processes to the Joint Fiscal Committee and the chairs of the relevant legislative committees of jurisdiction prior to accepting applications for grants through the Program.

(g) Priority sectors. When considering whether and how to prioritize economic sectors that have suffered economic harm due to the COVID-19 pandemic, the Agency of Commerce and Community Development may designate one or more sectors for priority funding through the Program, including the arts and culture, travel, lodging, tourism, agriculture, and child care sectors.

(h) Technical assistance. The Authority shall provide information to applicants on how to access technical assistance from the Small Business Development Center through the Community Navigator Pilot Program.

Sec. 48. WINDHAM COUNTY ECONOMIC DEVELOPMENT

(a) Findings.

(1) In 2014 Acts and Resolves No. 95, Sec. 80 created the Entergy Windham County Economic Development Special Fund pursuant to 32 V.S.A. chapter 7, subchapter 5, for the deposit and management of funds that were received pursuant to the settlement agreement between the State of Vermont and Entergy Nuclear Vermont Yankee, LLC, dated December 23, 2013.

(2) Pursuant to 2015 Acts and Resolves No. 4, Sec. 69, as further amended by 2016 Acts and Resolves No. 68, Sec. 69, the Secretary of Commerce and Community Development is authorized to make grants, repayable grants, and loans in the Special Fund for the purpose of promoting economic development in Windham County.

(3) From the amounts available in the Special Fund, the Agency of Commerce and Community Development has provided grant funds, and the Vermont Economic Development Authority, working in coordination with the Agency, has provided loans and loan servicing, for economic development projects in Windham County.



(b) Purpose: The purpose of this section is to ensure all program and interest funds received from the revolved loans originating from the Entergy Windham County Economic County Special Fund provide future economic development benefits for Windham County.

(c) Authority; Program Creation: Decisions for the use of any remaining and future funds shall be made through local administration by the Brattleboro Development Credit Corporation.

(d) Agency of Commerce and Community Development; transfer. On or before June 30, 2022 the Agency of Commerce and Community Development shall transfer any amounts remaining in the Entergy Windham County Economic Development Special Fund to the Brattleboro Development Credit Corporation.

(e) Vermont Economic Development Authority; transfer. On or before June 30, 2022, the Vermont Economic Development Authority shall take any steps necessary to transfer to the Brattleboro Development Credit Corporation any loans, loan servicing, future loan payments, and other legal rights, duties, or obligations related to its activities undertaken with funding from the Entergy Windham County Economic Development Special Fund.

(f) Brattleboro Economic Development Corporation; use of funds. The Brattleboro Economic Development Corporation shall use the funds transferred pursuant to this section to provide grants and loans for projects that provide economic development benefits to Windham County.

(g) Entergy Windham County Economic Development Special Fund; termination. The purpose of the Entergy Windham County Economic Development Special Fund has been fulfilled as determined by the General Assembly. Upon the completion of the transfers required in this section, and pursuant to 32 V.S.A. § 587(b) the Entergy Windham County Economic Development Special Fund is terminated.

\* \* \* Downtown Tax Credits \* \* \*

Sec. 49. 32 V.S.A. § 5930ee is amended to read:

§ 5930ee. LIMITATIONS

Beginning in fiscal year ~~2010~~ 2023 and thereafter, the State Board may award tax credits to all qualified applicants under this subchapter, provided that:

(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed ~~\$3,000,000.00~~ \$4,350,000.00 with up to \$1,000,000.00 awarded to qualified projects in neighborhood development areas;

\* \* \*

Sec. 50. 32 V.S.A. § 5930ee is amended to read:

§ 5930ee. LIMITATIONS

Beginning in fiscal year ~~2023~~ 2025 and thereafter, the State Board may award tax credits to all qualified applicants under this subchapter, provided that:

(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed ~~\$4,350,000.00~~ with up to \$1,000,000.00 awarded to qualified projects in neighborhood development areas \$3,000,000.00;

\* \* \*

Sec. 51. FY 2024 DOWNTOWN AND VILLAGE CENTER TAX CREDIT  
PROGRAM OFFSET

In fiscal year 2023, the amount of \$1,350,000.00 shall be carried forward within the General Fund to be available in fiscal year 2024 to provide one-time increased fiscal capacity for the Downtown and Village Center Tax Credit Program.

\* \* \* Appropriations \* \* \*

Sec. 52. APPROPRIATIONS

(a) Reversion. In fiscal year 2022, of the amounts appropriated in 2021 Acts and Resolves No. 74, Sec. G. 300(a)(13), from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Commerce and Community Development for the Economic Recovery Grant Program, \$25,500,000.00 shall revert to the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds.

(b) COVID economic support. In fiscal year 2022, the amount of \$28,000,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds as follows:

(1) VEDA Short-Term Forgivable Loan Program. \$19,000,000.00 to the Vermont Economic Development Authority for the VEDA Short-Term Forgivable Loan Program.

(2) Creative economy grants. \$9,000,000.00 to the Vermont Arts Council to provide grants for monthly operating costs, including rent, mortgage, utilities, and insurance, to creative economy businesses and nonprofits that have sustained substantial losses due to the pandemic.

(c) General Fund.

(1) In fiscal year 2023 the amount of \$10,200,000.00 is appropriated from the General Fund to the Agency of Commerce and Community Development for the Capital Investment Grant Program.

(2) In fiscal year 2023 the amount of \$1,800,000.00 is appropriated from the General Fund to the Agency of Commerce and Community Development to grant to Southeastern Vermont Community Action for the Restaurants and Farmers Feeding the Hungry Program, known as Everyone Eats, to provide State funds to match Federal Emergency Management Agency (FEMA) funds available for the Program.

Sec. 53. 2020 Acts and Resolves No. 3, Sec. 64(c) is amended to read:

(c) Sec. 62 (32 V.S.A. § 3102 (e)(8)) shall take effect on July 1, 2022 2024.

\* \* \* COVID-19-Related Paid Leave Grant Program \* \* \*

Sec. 54. FINDINGS AND INTENT

(a) The General Assembly finds that:

(1) COVID-19 has caused increased employee absences due to illness, quarantine, and school and daycare closures.

(2) Many employees do not have sufficient paid time off to cover all of their COVID-19-related absences from work.

(3) Some employers have provided their employees with additional paid time off for COVID-19-related purposes.

(4) The surge in COVID-19 cases caused by the Omicron variant of the virus has made it financially difficult or impossible for employers to provide additional paid time off to their employees for COVID-19-related purposes.

(5) Providing grants to employers to reimburse a portion of the cost of providing paid time off to employees for COVID-19-related purposes will:

(A) help to mitigate some negative economic impacts of the COVID-19 pandemic on employers;

(B) improve employee retention;

(C) prevent the spread of COVID-19 in the workplace; and

(D) provide crucial income to employees and their families.

(6) The Front-Line Employees Hazard Pay Grant Program established pursuant to 2020 Acts and Resolves No. 136, Sec. 6 and expanded pursuant to 2020 Acts and Resolves No. 168, Sec. 1 successfully directed millions of

dollars in hazard pay to front-line workers during the first year of the COVID-19 pandemic. By utilizing grants to employers, who in turn provided the hazard pay to their employees, the Program enabled employers to retain employees and reward them for their hard work during the uncertainty of the early months of the COVID-19 pandemic.

(b) It is the intent of the General Assembly that the COVID-19-Related Paid Leave Grant Program created pursuant to Sec. 2a of this act shall be modeled on the Front-Line Employees Hazard Pay Grant Program and shall assist employers in providing paid leave to their employees for COVID-19 related absences.

Sec. 54a. COVID-19-RELATED PAID LEAVE GRANT PROGRAM

(a)(1) There is established in the Department of Financial Regulation the COVID-19-Related Paid Leave Grant Program to administer and award grants to employers to reimburse the cost of providing COVID-19-related paid leave to employees.

(2) The sum of \$16,500,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Department of Financial Regulation in fiscal year 2023 for the provision of grants to reimburse employers for the cost of providing COVID-19-related paid leave. Not more than seven percent of the amount appropriated pursuant to this subdivision may be used for expenses related to Program administration and outreach.

(b) As used in this section:

(1) “Commissioner” means the Commissioner of Financial Regulation.

(2) “COVID-19-related reason” means the employee is:

(A) self-isolating because the employee has been diagnosed with COVID-19 or tested positive for COVID-19;

(B) self-isolating pursuant to the recommendation of a health care provider or a State or federal public health official because the employee has been exposed to COVID-19 or the employee is experiencing symptoms of COVID-19;

(C) caring for a parent, grandparent, spouse, child, sibling, parent-in-law, grandchild, or foster child, because:

(i) the school or place of care where that individual is normally located during the employee’s workday is closed due to COVID-19;

(ii) that individual has been requested not to attend the school or the place of care where that individual is normally located during the employee's workday due to COVID-19;

(iii) that individual has been diagnosed with or tested positive for COVID-19; or

(iv) that individual is self-isolating pursuant to the recommendation of a health care provider or a State or federal public health official because that individual has been exposed to or is experiencing symptoms of COVID-19;

(D) attending an appointment for the employee or the employee's parent, grandparent, spouse, child, sibling, parent-in-law, grandchild, or foster child to receive a vaccine or a vaccine booster for protection against COVID-19; or

(E) experiencing symptoms, or caring for a parent, grandparent, spouse, child, sibling, parent-in-law, grandchild, or foster child who is experiencing symptoms, related to a vaccine or a vaccine booster for protection against COVID-19.

(3) "Department" means the Department of Financial Regulation.

(4) "Employee" means an individual who, in consideration of direct or indirect gain or profit, is employed by an employer to perform services in Vermont.

(5) "Employer" means any person that has one or more employees performing services for it in Vermont. "Employer" does not include the State or the United States.

(6) "Program" means the COVID-19-Related Paid Leave Grant Program established pursuant to this section.

(7) "Program period" means the period beginning on July 1, 2022 and ending on June 30, 2023.

(8) "Spouse" includes a civil union partner or a domestic partner, as that term is defined pursuant to 17 V.S.A. § 2414.

(c)(1) An employer may apply to the Commissioner for quarterly grants to reimburse the employer for the cost of paid leave provided to its employees for COVID-19-related reasons during the Program period.

(2) An employer's grant amount may include reimbursement for retroactively provided COVID-19-related paid leave to employees who took unpaid leave for a COVID-19-related reason during the Program period

because the employee did not have sufficient accrued paid leave available at the time that the employee took the leave.

(3) Employers may submit applications for grants during the period beginning on October 1, 2022 and ending on September 30, 2023 and may submit an application not more than once each calendar quarter during that period. Grant applications shall be submitted for paid leave provided during the preceding calendar quarter.

(4) An employer may combine grant funds with funding from other sources but shall not use grant funds from multiple sources for the same instance of paid leave provided to its employees for COVID-19-related reasons. As used in this subdivision, an “instance” means a calendar day in which the employee was absent from work for a COVID-19-related reason.

(5) For the sole purpose of administering grants related to paid leave provided to independent direct support providers for COVID-19-related reasons, ARIS Solutions, as the fiscal agent for the employers of the independent direct support providers, shall have the authority to apply for grants in the same manner as any employer.

(d)(1) The Commissioner shall:

(A) adopt procedures for implementing the Program, which shall include a simple grant application process, a process to allow employers to certify the amount of paid leave provided for COVID-19-related reasons, and a process to allow employers to report on their use of the grant funds awarded pursuant to this section;

(B) establish deadlines for the submission of quarterly grant applications;

(C) promote awareness of the Program to employers;

(D) provide information to employers regarding Program and application requirements;

(E) award grants to employers on a first-come, first-served basis, subject to available funding; and

(F) develop and implement an audit strategy to assess grant utilization, the performance of the Program, and compliance with Program requirements.

(2)(A) The Commissioner may, with the approval of the Secretary of Administration, delegate administration of one or more aspects of the Program to other agencies and departments of the State.

(B) The Commissioner may enter into agreements, memoranda of understanding, or contracts with private entities as necessary to implement or administer the Program and, notwithstanding any provision of law to the contrary, shall not be required to competitively bid any contracts entered into pursuant to this subdivision (2)(B). For the purposes of the Program, the ongoing public health risk posed by COVID-19 shall be deemed to be an emergency situation that justifies the execution of sole source contracts pursuant to Bulletin 3.5, the State's Procurement and Contracting Procedures.

(e)(1) Employers may apply for grants to either reimburse 67 percent of the cost of COVID-19-related paid leave provided to employees or to provide funds to be used to pay 67 percent of the cost to retroactively provide paid leave to employees who took unpaid leave for COVID-19-related reasons.

(A) For reimbursement of COVID-19-related paid leave that was already provided, the employer may, subject to the limitations of subdivision (2) of this subsection (e), apply for a grant in an amount equal the number of hours of COVID-19-related paid leave provided to each employee multiplied by the greater of either the 67 percent of the minimum wage established pursuant to 21 V.S.A. § 384 or 67 percent of the employee's regular hourly wage.

(B) For COVID-19-related paid leave that will be provided retroactively to employees who took unpaid leave for COVID-19-related reasons, the employer may, subject to the limitations of subdivision (2) of this subsection (e), apply for a grant in an amount equal the number of hours of COVID-19-related paid leave to be provided to each employee multiplied by the greater of either the 67 percent of the minimum wage established pursuant to 21 V.S.A. § 384 or 67 percent of the employee's regular hourly wage.

(2)(A) An employer may only apply for a grant in relation to COVID-19-related leave that was taken by an employee during the Program period.

(B) The maximum number of hours of COVID-19-related leave for each employee that an employer may seek grant funding for through the Program shall equal the lesser of 80 hours or two times the employee's average weekly hours worked for the employer during the six months preceding the date on which the employee first took COVID-19-related leave during the Program period.

(C) The maximum amount that an employer shall be eligible to receive for COVID-19-related paid leave for each employee shall be not more than \$27.50 per hour of leave, with an aggregate maximum of \$2,200.00 per employee during the Program period.

(f) As a condition of being eligible to receive a grant through the Program, each employer shall be required to certify:

(1) that the employer is not seeking funds in relation to any amounts of paid leave that were deducted from the employee's accrued paid leave balance at the time the COVID-19-related leave was taken unless those amounts have been restored to the employee's accrued paid leave balance;

(2) grant funds shall only be used in relation to the payment of an employee's wages for the period when the employee was absent from work for a COVID-19-related reason; and

(3) employees receiving paid leave funded by a grant shall not be required to pay an administrative fee or other charge in relation to the employer requesting the grant.

(g) Each employer that receives a grant shall, not later than October 31, 2023, report to the Department on a form provided by the Commissioner the amount of grant funds used to provide paid leave to employees and the amount of any remaining grant funds that were not spent. All unspent grant funds shall be returned to the Department pursuant to a procedure adopted by the Commissioner.

(h) Any personally identifiable information that is collected by the Program, any entity of State government performing a function of the Program, or any entity that the Commissioner contracts with to perform a function of the Program shall be kept confidential and shall be exempt from inspection and copying under the Public Records Act.

\* \* \* Unemployment Insurance Benefits \* \* \*

#### Sec. 55. FINDINGS

The General Assembly finds that the General Assembly previously enacted a \$25.00 supplemental increase to the weekly unemployment insurance benefit amount in 2021 Acts and Resolves No. 51, Sec. 11. However, the terms of that supplemental increase did not conform to federal requirements, and it never took effect. Enacting a future \$25.00 increase in the weekly unemployment insurance benefit amount will fulfill the commitment made by the General Assembly in 2021 Acts and Resolves No. 51, Sec. 11.

Sec. 55a. 2021 Acts and Resolves No. 51, Sec. 17(a)(4) is amended to read:

(4) Sec. 12 (repeal of supplemental weekly benefit) shall take effect upon the payment of a cumulative total of \$100,000,000.00 in supplemental benefits pursuant to 21 V.S.A. § 1338(e)(2) on October 7, 2021 and shall apply prospectively to all benefit payments in the next week and each subsequent week.



Sec. 55b. 21 V.S.A. § 1338 is amended to read:

§ 1338. WEEKLY BENEFITS

\* \* \*

(e) An individual's weekly benefit amount shall be determined by dividing the individual's two high quarter total subject wages required under subdivision (d)(1) of this section by 45 and adding \$25.00 to the resulting quotient, provided that the weekly benefit amount so determined shall not exceed the maximum weekly benefit amount computed pursuant to subsection (f) of this section.

(f)(1) The maximum weekly benefit amount shall be annually adjusted on the first day of the first calendar week in July to an amount equal to the sum of \$25.00 plus 57 percent of the State annual average weekly wage as determined by subsection (g) of this section.

\* \* \*

Sec. 55c. UNEMPLOYMENT INSURANCE; INFORMATION

TECHNOLOGY MODERNIZATION; ANNUAL REPORT;

INDEPENDENT VERIFICATION

(a)(1) The Secretary of Digital Services and the Commissioner of Labor shall, to the greatest extent possible, plan and carry out the development and implementation of a modernized information technology system for the unemployment insurance program so that the modernized system is available in time to implement on July 1, 2025 the changes to the unemployment insurance weekly benefit amount enacted pursuant to Sec. 55b of this act.

(2) The Secretary of Digital Services and the Commissioner of Labor shall plan and carry out the development and implementation of the modernized information technology system for the unemployment insurance program so that the modernized system is capable of:

(A) implementing the weekly benefit increase enacted pursuant to Sec. 55b of this act;

(B) adapting to the evolving needs of the unemployment insurance program in the future;

(C) incorporating future advances in information technology;

(D) implementing future legislative changes to all aspects of the unemployment insurance program, including:

(i) benefits,

- (ii) eligibility;
- (iii) taxes;
- (iv) penalties; and
- (v) recovery of overpayments; and

(E) implementing short-term changes that respond to specific indicators economic health.

(b) The Secretary of Digital Services and the Commissioner of Labor shall, on or before January 15, 2023 and January 15, 2024, submit a written report to the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, and the Legislative Information Technology Consultant retained by the Joint Fiscal Office detailing the actions taken and progress made in carrying out the requirements of subsection (a) of this section, the anticipated timeline for being able to implement the changes to the unemployment insurance weekly benefit amount enacted pursuant to Sec. 55b of this act, and potential implementation risks identified during the development process.

(c) The Legislative Information Technology Consultant shall, on or before February 15, 2023 and February 15, 2024, submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a review of the report submitted pursuant to subsection (b) of this section. The review shall include an assessment of whether the Agency of Digital Services and the Department of Labor will be able to implement the changes to the unemployment insurance weekly benefit amount enacted pursuant to Sec. 55b of this act by July 1, 2025 and shall identify any potential risks or concerns related to implementation that are not addressed in the report submitted pursuant to subsection (b) of this section.

Sec. 55d. 21 V.S.A. § 1338 is amended to read:

§ 1338. WEEKLY BENEFITS

\* \* \*

(e) An individual's weekly benefit amount shall be determined by dividing the individual's two high quarter total subject wages required under subdivision (d)(1) of this section by 45 ~~and adding \$25.00 to the resulting quotient~~, provided that the weekly benefit amount so determined shall not exceed the maximum weekly benefit amount computed pursuant to subsection (f) of this section.

(f)(1) The maximum weekly benefit amount shall be annually adjusted on the first day of the first calendar week in July to an amount equal to ~~the sum of~~ \$25.00 plus 57 percent of the State annual average weekly wage as determined by subsection (g) of this section.

\* \* \*

#### Sec. 56. EFFECTIVE DATES

(a) This act shall take effect on July 1, 2022, except that:

(1) Sec. 13 (Secondary Student Industry Recognized Credential Pilot Project) shall take effect on passage.

(2) Sec. 30 (18 V.S.A. § 9456) shall take effect on January 1, 2023 and shall apply to hospital fiscal years 2024 and after.

(3) Sec. 48 (Windham County Economic Development) shall take effect on passage.

(4) Sec. 53 (Pandemic Unemployment Assistance Program extension) shall take effect on passage.

(b)(1) Notwithstanding 1 V.S.A. § 214, Sec. 55a (repeal of prior unemployment insurance supplemental benefit) shall take effect retroactively on October 7, 2021.

(2) Sec. 55b (increase in unemployment insurance weekly benefit amount) shall take effect on July 1, 2025 and shall apply to benefit weeks beginning after that date.

(3) Sec. 55d (prospective repeal of unemployment insurance benefit increase) shall take effect upon the payment of a cumulative total of \$100,000,000.00 in additional benefits pursuant to 21 V.S.A. § 1338(e) when compared to the rate at which benefits would have been paid under the formula set forth in 21 V.S.A. § 1338(e) on June 30, 2025 and shall apply to benefit weeks beginning after that date.

(4) Sec. 55c (report on implementation of change to unemployment insurance weekly benefit) shall take effect on passage.

and that after passage the title of the bill be amended to read: “An act relating to economic and workforce development”

**Rep. Ancel of Calais**, for the Committee on Ways and Means, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Commerce and Economic Development and when further amended as follows:

First: By striking out Secs. 2–3 in their entirety and inserting in lieu thereof the following:

Sec. 2. [Reserved.]

Sec. 3. [Reserved.]

Second: By striking out Secs. 49–51 in their entirety and inserting in lieu thereof the following:

Sec. 49. APPROPRIATION; DOWNTOWN AND VILLAGE CENTER TAX  
CREDIT PROGRAM

There is appropriated the sum of \$2,700,000.00 from the General Fund to the Vermont Downtown and Village Center Tax Credit Program to be used in fiscal years 2023 and 2024. Notwithstanding 32 V.S.A. § 5930ee, the funds shall be used to increase the amount of tax credits that may be awarded to qualified projects. Of those tax credits awarded in fiscal years 2023 and 2024, up to \$2,000,000.00 may be awarded to qualified projects located in designated neighborhood development areas.

Sec. 50. [Reserved.]

Sec. 51. [Reserved.]

**Rep. Toleno of Brattleboro**, for the Committee on Appropriations, recommended that the bill ought to pass in concurrence with proposals of amendment as recommended by the Committee on Commerce and Economic Development and by the Committee on Ways and Means.

The bill having appeared on the Notice Calendar was taken up, read the second time, and the report of the Committee on Commerce and Economic Development was amended as recommended by the Committee on Ways and Means.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Commerce and Economic Development as amended?, **Reps. Kimbell of Woodstock, Dickinson of St. Albans Town, Jerome of Brandon, Kascenska of Burke, Laroche of Franklin, Marcotte of Coventry, Mulvaney-Stanak of Burlington, Nicoll of Ludlow, Nigro of Bennington, and White of Bethel** moved that the report of the Committee on Commerce and Economic Development, as amended, be further amended as follows:

First: By striking out Sec. 37, 33 V.S.A. § 3543, in its entirety and inserting in lieu thereof the following:

Sec. 37. 33 V.S.A. § 3543 is amended to read:

§ 3543. STUDENT LOAN REPAYMENT ASSISTANCE

(a)(1) There is established a need-based student loan repayment assistance program for the purpose of providing student loan repayment assistance to any individual employed by a regulated, privately operated center-based child care program or family child care home.

(2) An eligible individual shall:

(A)(i) work in a privately operated center-based child care program or in a family child care home that is regulated by the Division for at least an average of 30 hours per week for 48 weeks of the year; or

(ii) if the individual is an employee of a Vermont Head Start program that operates fewer than 48 weeks per year, work a minimum of nine months of the year, inclusive of any employer-approved time off;

(B) receive an annual salary of not more than \$50,000.00 through the individual's work in regulated childcare; and

(C) have earned an associates or bachelor's degree with a major concentration in early childhood, child and human development, elementary education, special education with a birth to age eight focus, or child and family services within the preceding five years.

\* \* \*

Second: In Sec. 43, in 10 V.S.A. § 2531(a), by striking out the third sentence in its entirety.

Third: By striking out Sec. 46 and its reader assistance in their entireties and inserting in lieu thereof the following:

\* \* \* Community Recovery and Revitalization Grant Program \* \* \*

Sec. 46. 2021 Acts and Resolves No. 74, Sec. H.18 is amended to read:

Sec. H.18 ~~CAPITAL INVESTMENT~~ COMMUNITY RECOVERY AND  
REVITALIZATION GRANT PROGRAM

(a) Creation; purpose; regional outreach.

(1) The Agency of Commerce and Community Development shall use the \$10,580,000 appropriated to the Department of Economic Development in Sec. G.300(a)(12) of this act to design and implement ~~a capital investment grant program~~ the Community Recovery and Revitalization Grant Program consistent with this section.

(2) The purpose of the ~~program~~ Program is to make funding available for transformational projects that will ~~provide each region of the State with the opportunity to attract businesses, retain existing businesses, create jobs, and invest in their communities by encouraging capital investments and economic growth~~ make investments to retain and expand existing businesses and nonprofit organizations, attract new businesses and nonprofit organizations, and create new jobs with a preference for projects located in regions and communities with declining or stagnant grand list values.

(3) The Agency shall collaborate with other State agencies, regional development corporations, regional planning commissions, and other community partners to identify potential regional applicants and projects to ensure the distribution of grants throughout the regions of the State.

(b) Eligible applicants.

~~(1) To be eligible for a grant, an applicant shall meet the following criteria:~~

~~(A) The applicant is located within this State.~~

~~(B) The applicant is:~~

~~(i)(I) a for-profit entity with not less than a 10 percent equity interest in the project; or~~

~~(II) a nonprofit entity; and~~

~~(ii) grant funding from the Program represents not more than 50 percent of the total project cost.~~

(1) To be eligible for a grant, the applicant must be located within the State and:

(A)(i) the applicant is a for-profit entity with not less than a 10 percent equity interest in the project, or a nonprofit entity, which has documented financial impacts from the COVID-19 pandemic; and

(ii) intends to utilize the funds for an enumerated use as defined in the U.S. Treasury Final Rule for Coronavirus State and Fiscal Recovery Funds; or

(B)(i) the applicant is a municipality;

(ii) the municipality needs to make infrastructure improvements to incentivize community development; and

(iii) the proposed infrastructure improvements and the projected development or redevelopment are compatible with confirmed municipal and

regional development plans and the project has clear local significance for employment.

~~(C)~~(2) The applicant ~~demonstrates~~ must demonstrate:

~~(i)~~(A) community and regional support for the project;

~~(ii)~~(B) that grant funding is needed to complete the project;

~~(iii)~~(C) leveraging of additional sources of funding from local, State, or federal economic development programs; and

~~(iv)~~(D) an ability to manage the project, with requisite experience and a plan for fiscal viability.

~~(2)~~(3) The following are ineligible to apply for a grant:

(A) a State or local government-operated business;

(B) ~~a municipality~~;

~~(C)~~ a business that, together with any affiliated business, owns or operates more than 20 locations, regardless of whether those locations do business under the same name or within the same industry; and

~~(D)~~(C) a ~~publicly-traded~~ publicly traded company.

(c) Grant funds; eligible uses for municipalities. A municipality is only authorized to utilize program funding under this section if:

(1) the project clearly requires substantial public investment over and above the normal municipal operating or bonded debt expenditures;

(2) the public improvements being requested are integral to the expected private development; and

(3) the project meets one of the following criteria:

(A) the development includes new or rehabilitated affordable housing, as defined in 24 V.S.A. § 4303;

(B) the development will include at least one entirely new business or business operation or expansion of an existing business within the project, and this business will provide new, quality, full-time jobs that meet or exceed the prevailing wage for the region as reported by the Department of Labor; or

(C) the development will enhance transportation by creating improved traffic patterns and flow or creating or improving public transportation system.

(d) Grant Funds; eligible uses; private and nonprofit entities. A project of a business or nonprofit organization is eligible if:

- (1) the project had a COVID-related impact that delayed the project;
- (2) project costs have increased as a result of the COVID-19 pandemic;

or

(3) the project involves enumerated uses of funds, as defined by the U.S. Treasury Final Rule, and determined by the Agency of Commerce and Community Development.

~~(e)(c)~~ Awards; amount; eligible uses.

(1) An award shall not exceed the lesser of \$1,500,000.00 ~~\$1,000,000.00~~ or ~~the estimated net State fiscal impact of the project based on Agency modeling~~ 20 percent of the total project cost.

~~(2) A recipient may use grant funds for the acquisition of property and equipment, construction, renovation, and related capital expenses.~~

(3) A recipient may combine grant funds with funding from other sources but shall not use grant funds from multiple sources for the same costs within the same project.

~~(4)~~(3) The Agency shall release grant funds upon determining that the applicant has met all Program conditions and requirements.

~~(5)~~(4) Nothing in this section is intended to prevent a grant recipient from applying for additional grant funds if future amounts are appropriated for the program.

~~(d) Data model; approval.~~

~~(1) The Agency shall collaborate with the Legislative Economist to design a data model and related methodology to assess the fiscal, economic, and societal impacts of proposals and prioritize them based on the results.~~

~~(2) The Agency shall present the model and related methodology to the Joint Fiscal Committee for its approval not later than September 1, 2021.~~

(f) Approval process.

(1) For an application submitted by a municipality pursuant to this section, the Vermont Economic Progress Council shall review each application to determine that the infrastructure improvements proposed to serve the project and the proposed development in the project would not have occurred as proposed in the application, or would have occurred in a significantly different and less desirable manner than as proposed in the application, but for the proposed utilization of the grant application funds.

(2) The review shall take into account:



(A) the amount of additional time, if any, needed to complete the proposed development for the project and the amount of additional cost that might be incurred if the project were to proceed without the grant funding;

(B) how the proposed project components and size would differ, if at all, including, if applicable to the project, in the number of units of affordable housing, as defined in 24 V.S.A. § 4303 without grant funding; and

(C) the lack of new construction in the municipality, indicated by a stagnant or declining grand list value as determined by the Department of Taxes, considering both the total full listed value and the equalized education grand list value.

~~(e)(g)~~ Application process; decisions; awards.

~~(1)(A) The Agency shall accept applications on a rolling basis for three-month periods and shall review and consider for approval the group of applications it has received as of the conclusion of each three-month period. Under the grant program established in this section, a municipality, upon approval of its legislative body, may apply to the Vermont Economic Progress Council pursuant to the process set forth in this section to use grant funding for a project.~~

(B) The Agency shall accept applications from for profit or nonprofit entities on a rolling basis until Program funds are expended.

~~(B) The Agency shall make application information available to the Legislative Economist and the Executive Economist in a timely manner.~~

~~(2) Using the data model and methodology approved by the Joint Fiscal Committee, the Agency shall analyze the information provided in an application to estimate the net State fiscal impact of a project, including the following factors:~~

~~(A) increase to grand list value;~~

~~(B) improvements to supply chain;~~

~~(C) jobs impact, including the number and quality of jobs; and~~

~~(D) increase to State GDP. [Repealed.]~~

(3) The Secretary of Commerce and Community Development shall appoint an interagency team, which may include members from among the Department of Economic Development, the Department of Housing and Community Development, the Agency of Agriculture, Food and Markets, the Department of Public Service, the Agency of Natural Resources, or other State agencies and departments, which team shall review, analyze, and recommend projects for funding based on the estimated net State fiscal impact of a project

and on other contributing factors, including consistent with the guidelines the Agency develops in coordination with the Joint Fiscal Office and the following:

- (A) ~~transformational nature of the project for the region;~~
- (B) project readiness, quality, and demonstrated collaboration with stakeholders and other funding sources;
- (C)(B) alignment and consistency with regional plans and priorities;
- and
- (D)(C) creation and retention of workforce opportunities.

(4) The Secretary of Commerce and Community Development shall consider the recommendations of the interagency team and shall give final approval to projects.

(f)(h) Grant agreements; post award monitoring.

(1) If selected by the Secretary, the applicant and the Agency shall execute a grant agreement that includes audit provisions and minimum requirements for the maintenance and accessibility of records that ensures that the Agency and the Auditor of Accounts have access and authority to monitor awards.

(2) The Agency shall publish on its website not later than 30 days after approving an award a brief project description the name of the grantee and the amount of a grant.

(g)(i) Report. On or before ~~December 15, 2021~~ February 15, 2023, the Agency shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning the implementation of this section, including:

- (1) a description of the implementation of the ~~program~~ Program;
- (2) the promotion and marketing of the program; and
- (3) an analysis of the utilization and performance of the ~~program, including the projected revenue impacts and other qualitative and quantitative returns on investment in the program based on available data and modeling~~ Program.

(j) Implementation.

(1) The Agency of Commerce and Community Development shall consult with the Legislative Joint Fiscal Office to develop guidelines and approval processes for the Program and shall submit the proposed guidelines

and processes to the Joint Fiscal Committee and the chairs of the relevant legislative committees of jurisdiction prior to accepting applications for grants through the Program.

(2) When considering whether and how to prioritize economic sectors that have suffered economic harm due to the COVID-19 pandemic, the Agency may designate one or more sectors for priority consideration through the Program, including the arts and culture, travel, lodging, tourism, agriculture, and child care sectors.

Which was agreed to. Thereupon, the proposal of amendment recommended by the Committee on Commerce and Economic Development, as amended, was agreed to, and third reading was ordered.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the bill placed in all remaining stages of passage. Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

**Second Reading; Question Divided; Proposal of Amendment Agreed to;  
Third Reading Ordered**

**S. 234**

**Rep. Bongartz of Manchester**, for the Committee on Natural Resources, Fish, and Wildlife, to which had been referred Senate bill, entitled

An act relating to changes to Act 250

Reported in favor of its passage in concurrence with proposal of amendment by striking all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Municipal Zoning \* \* \*

Sec. 1. 24 V.S.A. § 2793e is amended to read:

§ 2793e. NEIGHBORHOOD PLANNING AREAS; DESIGNATION OF  
NEIGHBORHOOD DEVELOPMENT AREAS

(a) Purpose. This section is intended to encourage a municipality to plan for new and infill housing in the area including and immediately encircling its designated downtown, village center, new town center, or within its designated growth center in order to provide needed housing and to further support the commercial establishments in the designated center. To support this goal, this section sets out a two-component process.

\* \* \*

## (b) Definitions.

(1) “Neighborhood planning area” means an automatically delineated area including and encircling a downtown, village center, or new town center designated under this chapter or within a growth center designated under this chapter. A neighborhood planning area is used for the purpose of identifying locations suitable for new and infill housing that will support a development pattern that is compact, oriented to pedestrians, and consistent with smart growth principles. To ensure a compact settlement pattern, the outer boundary of a neighborhood planning area shall be located entirely within the boundaries of the applicant municipality, unless a joint application is submitted by more than one municipality, and shall be determined:

\* \* \*

(c) Application for designation of a neighborhood development area. The State Board shall approve a neighborhood development area if the application demonstrates and includes all of the following elements:

\* \* \*

(5) The proposed neighborhood development area consists of those portions of the neighborhood planning area that are appropriate for new and infill housing, excluding identified flood hazard and fluvial erosion areas, except those areas containing preexisting development in areas suitable for infill development as defined in § 29-201 of the Vermont Flood Hazard Area and River Corridor Rule. In determining what areas are most suitable for new and infill housing, the municipality shall balance local goals for future land use, the availability of land for housing within the neighborhood planning area, and the smart growth principles. Based on those considerations, the municipality shall select an area for neighborhood development area designation that:

(A) Avoids or ~~that~~ minimizes to the extent feasible the inclusion of “important natural resources” as defined in subdivision 2791(14) of this title. If an “important natural resource” is included within a proposed neighborhood development area, the applicant shall identify the resource, explain why the resource was included, describe any anticipated disturbance to such resource, and describe why the disturbance cannot be avoided or minimized. If the neighborhood development area includes flood hazard areas or river corridors, the local bylaws shall contain provisions consistent with the Agency of Natural Resources’ rules required under 10 V.S.A. § 754(a) to ensure that new infill development within a neighborhood development area occurs outside the floodway and will not cause or contribute to fluvial erosion hazards within the

river corridor. If the neighborhood development area includes flood hazard areas or river corridors, local bylaws shall also contain provisions to protect river corridors outside the neighborhood development area consistent with the Agency of Natural Resources' rules required under 10 V.S.A. § 754(a).

\* \* \*

(6) ~~The neighborhood development area is served by:~~

~~(A) municipal sewer infrastructure; or~~

~~(B) a community or alternative wastewater system approved by the Agency of Natural Resources. [Repealed.]~~

(7) The municipal bylaws allow minimum net residential densities within the neighborhood development area greater than or equal to four ~~single-family detached~~ dwelling units per acre for all identified residential uses or residential building types, exclusive of accessory dwelling units, or ~~no~~ not fewer than the average existing density of the surrounding neighborhood, whichever is greater. The methodology for calculating density shall be established in the guidelines developed by the Department pursuant to subsection 2792(d) of this title.

\* \* \*

Sec. 2. 24 V.S.A. § 2793b is amended to read:

§ 2793b. DESIGNATION OF NEW TOWN CENTER DEVELOPMENT  
DISTRICTS

\* \* \*

(b) Within 45 days of receipt of a completed application, the State Board shall designate a new town center development district if the State Board finds, with respect to that district, the municipality has:

\* \* \*

(2) Provided a community investment agreement that has been executed by authorized representatives of the municipal government, businesses and property owners within the district, and community groups with an articulated purpose of supporting downtown interests, and contains the following:

\* \* \*

(B) Regulations enabling ~~high~~ densities that are ~~greater~~ not less than four dwelling units, including all identified residential uses or residential building types, per acre and not less than those allowed in any other part of the municipality not within an area designated under this chapter.

\* \* \*

Sec. 3. 24 V.S.A. § 4449 is amended to read:

§ 4449. ZONING PERMIT, CERTIFICATE OF OCCUPANCY, AND  
MUNICIPAL LAND USE PERMIT

(a) Within any municipality in which any bylaws have been adopted:

\* \* \*

(4) No municipal land use permit issued by an appropriate municipal panel or administrative officer, as applicable, for a site plan or conditional use shall be considered abandoned or expired unless more than two years has passed since the permit approval was issued.

\* \* \* Municipal Bylaw Grants \* \* \*

Sec. 4. 24 V.S.A. § 4306 is amended to read:

§ 4306. MUNICIPAL AND REGIONAL PLANNING FUND

(a)(1) The Municipal and Regional Planning Fund for the purpose of assisting municipal and regional planning commissions to carry out the intent of this chapter is hereby created in the State Treasury.

(2) The Fund shall be composed of 17 percent of the revenue from the property transfer tax under 32 V.S.A. chapter 231 and any monies from time to time appropriated to the Fund by the General Assembly or received from any other source, private or public. All balances at the end of any fiscal year shall be carried forward and remain in the Fund. Interest earned by the Fund shall be deposited in the Fund.

(3) Of the revenues in the Fund, each year:

(A) 10 percent shall be disbursed to the Vermont Center for Geographic Information;

(B) 70 percent shall be disbursed to the Secretary of Commerce and Community Development for performance contracts with regional planning commissions to provide regional planning services pursuant to section 4341a of this title; and

(C) 20 percent shall be disbursed to municipalities.

\* \* \*

(c) Funds allocated to municipalities shall be used for the purposes of:

\* \* \*

(4) reasonable and necessary costs of administering the Fund by the Department of Housing and Community Development, not to exceed six percent of the municipality allocation.

(d) New funds allocated to municipalities under this section may take the form of municipal bylaw modernization grants in accordance with section 4307 of this title.

Sec. 5. 24 V.S.A. § 4307 is added to read:

§ 4307. MUNICIPAL BYLAW MODERNIZATION GRANTS

(a) There are created Municipal Bylaw Modernization Grants to assist municipalities in updating their land use and development bylaws. Bylaws updated under this section shall increase housing choice, affordability, and opportunity in areas planned for smart growth. The Grants shall be funded by monies allocated from the municipality allocation of the Municipal and Regional Planning Funds established in subdivision 4306(a)(3)(C) of this title and any other monies appropriated for this purpose.

(b) Disbursement to municipalities shall be administered by the Department of Housing and Community Development through a competitive process providing the opportunity for all regions and any eligible municipality to compete regardless of size.

(c) Funds may be disbursed by the Department in installments to ensure the municipal bylaw updates meet the goals of this section.

(d) Funding may be used for the cost of regional planning commission staff or consultant time and any other purpose approved by the Department.

(e) A municipality grantee shall use the funds to prepare amendments to bylaws to increase housing choice, affordability, and opportunity and that support a neighborhood development pattern that is pedestrian oriented in areas planned for smart growth consistent with the smart growth principles established in section 2791 of this title and that prioritize projects in designated areas in accordance with chapter 76A of this title.

(f) To receive the grant, the municipality shall:

(1) identify municipal water and wastewater disposal infrastructure, municipal water and sewer service areas, and the constraints on that infrastructure based on the best available data;

(2) increase allowed housing types and uses, which may include duplexes to the same extent as single-family homes;

(3) include parking waiver provisions in areas planned for smart growth consistent with smart growth principles as defined in section 2791 of this title and appropriate situations;

(4) review and modify street standards that implement the complete streets principles as described in 19 V.S.A. § 309d and that are oriented to pedestrians;

(5) reduce nonconformities by making the allowed standards principally conform to the existing settlement within any area designated under chapter 76A of this title and increase allowed lot/building/dwelling unit density by adopting dimensional, use, parking, and other standards that allow compact neighborhood form and support walkable lot and dwelling unit density, which may be achieved with a standard allowing at least four units per acre or allowing the receipt of a State or municipal water and wastewater permit to determine allowable density or by other means established in guidelines issued by the Department;

(6) restrict development of and minimize impact to important natural resources, including new development in flood hazard areas, undeveloped floodplains, and river corridor areas, unless lawfully allowed for infill development in §29-201 of the Vermont Flood Hazard Area and River Corridor Rule;

(7) update the municipal plan's housing element as provided in subdivision 4382(a)(10) of this title related to addressing lower- and moderate-income housing needs, implement that element of the plan including through the bylaw amendments, and demonstrate how those bylaws support the implementation of the housing element; and

(8) comply with State and Federal Fair Housing Act, including the fair housing provisions of Vermont's Planning and Development Act.

(g) On or before September 1, 2022, the Department shall adopt guidelines to assist municipalities applying for grants under this section.

#### Sec. 6. APPROPRIATION

To the extent that increased funding is provided in fiscal year 2023 to the Municipal and Regional Planning Fund, \$650,000.00 shall be used for Municipal Bylaw Modernization Grants established in 24 V.S.A. § 4307.

\* \* \* Accessory Dwelling Units \* \* \*

Sec. 7. 24 V.S.A. § 4414 amended to read:

§ 4414. ZONING; PERMISSIBLE TYPES OF REGULATIONS

\* \* \*



(4) Parking and loading facilities. A municipality may adopt provisions setting forth standards for permitted and required facilities for off-street parking and loading which may vary by district and by uses within each district. These bylaws may also include provisions covering the location, size, design, access, landscaping, and screening of those facilities. In determining the number and size of parking spaces required under these regulations, the appropriate municipal panel may take into account the existence or availability of employer “transit pass” and rideshare programs, public transit routes, and public parking spaces in the vicinity of the development. However, a municipality shall not require an accessory dwelling unit to have more than one parking space per bedroom.

\* \* \*

\* \* \* Act 250 \* \* \*

Sec. 8. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

\* \* \*

(3)(A) “Development” means each of the following:

\* \* \*

(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction or maintenance of mobile homes or mobile home parks, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years. However:

(I) A priority housing project shall constitute a development under this subdivision (iv) only if the number of housing units in the project is:

(aa) [Repealed.]

(bb) [Repealed.]

(cc) 75 or more, in a municipality with a population of 6,000 or more but less than 10,000.

(dd) 50 or more, in a municipality with a population of 3,000 or more but less than 6,000.

(ee) ~~25 or more, in a municipality with a population of less than 3,000.~~ [Repealed.]

(ff) Notwithstanding subdivisions (cc) through (ee) of this subdivision (3)(A)(iv)(I), 10 or more if the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision (ff) if the Division for Historic Preservation has determined that the proposed demolition will have no adverse effect, will have no adverse effect if specified conditions are met, or will have an adverse effect that will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.

\* \* \*

(D) The word “development” does not include:

\* \* \*

~~(6) “Floodway” means the channel of a watercourse that is expected to flood on an average of at least once every 100 years and the adjacent land areas that are required to carry and discharge the flood of the watercourse, as determined by the Secretary of Natural Resources with full consideration given to upstream impoundments and flood control projects~~ “Flood hazard area” has the same meaning as under section 752 of this title.

~~(7) “Floodway fringe” means an area that is outside a floodway and is flooded with an average frequency of once or more in each 100 years, as determined by the Secretary of Natural Resources with full consideration given to upstream impoundments and flood control projects~~ “River corridor” has the same meaning as under section 752 of this title.

\* \* \*

(27) “Mixed income housing” means a housing project in which the following apply:

(A) Owner-occupied housing. ~~At the option of the applicant, owner-occupied housing may be characterized by either of the following:~~

~~(i) at least 15 percent of the housing units have a purchase price that at the time of first sale does not exceed 85 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency; or~~

~~(ii) at least 20 percent of the housing units have a purchase price that at the time of first sale does not exceed 90 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency~~ meet the requirements of affordable owner-occupied housing under subdivision (29)(A) of this section,

adjusted for the number of bedrooms, as established and published annually by the Vermont Housing Finance Agency.

(B) Rental housing. At least 20 percent of the housing units that are rented constitute affordable housing and have a duration of affordability of For not less than 15 years following the date that rental housing is initially placed in service, at least 20 percent of the housing units meet the requirements of affordable rental housing under subdivision (29)(B) of this section, adjusted for the number of bedrooms, as established and published annually by the Vermont Housing Finance Agency.

\* \* \*

(35) "Priority housing project" means a discrete project located on a single tract or multiple contiguous tracts of land that consists exclusively of:

~~(A) mixed income housing or mixed use, or any combination thereof, and is located entirely within a designated downtown development district, designated new town center, designated growth center, or designated village center that is also a designated neighborhood development area under 24 V.S.A. chapter 76A; or~~

~~(B) mixed income housing and is located entirely within a designated Vermont neighborhood or designated neighborhood development area under 24 V.S.A. chapter 76A.~~

\* \* \*

Sec. 9. 10 V.S.A. § 6081(p) is amended to read:

~~(p)(1) No permit or permit amendment is required for any change to a project that is located entirely within a downtown development district designated pursuant to 24 V.S.A. § 2793, if the change consists exclusively of any combination of mixed use and mixed income housing, and the cumulative changes within any continuous period of five years, commencing on or after May 28, 2002, remain below any applicable jurisdictional threshold specified in subdivision 6001(3)(A)(iv)(I) of this title.~~

(2) No permit or permit amendment is required for a priority housing project in a designated center other than a downtown development district if the project remains below any applicable jurisdictional threshold specified in subdivision 6001(3)(A)(iv)(I) of this title and will comply with all conditions of any existing permit or permit amendment issued under this chapter that applies to the tract or tracts on which the project will be located. If such a priority housing project will not comply with one or more of these conditions, an application may be filed pursuant to section 6084 of this title.

Sec. 10. 10 V.S.A. § 6084(f) is amended to read:

~~(f) This subsection concerns an application for a new permit amendment to change the conditions of an existing permit or existing permit amendment in order to authorize the construction of a priority housing project described in subdivision 6081(p)(2) of this title.~~

~~(1) The District Commission may authorize a district coordinator to issue such an amendment, without notice and a hearing, if the applicant demonstrates that all parties to the existing permit or existing permit amendment, which contains the condition or conditions proposed to be changed, or their successors in interest have consented to the proposed changes to conditions relative to the criteria for which the party obtained party status.~~

~~(2) If the applicant is not able to obtain the consent of a party or parties or their successors in interest with respect to one or more of the conditions in the existing permit or permit amendment proposed to be changed, the applicant shall file a permit application pursuant to this section. However, review by the District Commission shall be limited to whether the changes to conditions not consented to by the party or parties or their successors in interest enable positive findings to be made under subsection 6086(a) and are authorized under subsection 6086(c) of this title. [Repealed.]~~

\* \* \* Criterion 1(D) \* \* \*

Sec. 11. 10 V.S.A. § 6086 is amended to read:

§ 6086. ISSUANCE OF PERMIT; CONDITIONS AND CRITERIA

(a) Before granting a permit, the District Commission shall find that the subdivision or development:

\* \* \*

(D) Floodways Flood hazard areas; river corridors. A permit will be granted whenever it is demonstrated by the applicant that, in addition to all other applicable criteria:

(i) the development or subdivision of lands within a floodway flood hazard area or river corridor will not restrict or divert the flow of flood waters floodwaters, cause or contribute to fluvial erosion, and endanger the health, safety, and welfare of the public or of riparian owners during flooding; and

(ii) ~~the development or subdivision of lands within a floodway fringe will not significantly increase the peak discharge of the river or stream within or downstream from the area of development and endanger the health, safety, or welfare of the public or riparian owners during flooding.~~

\* \* \*

\* \* \* Municipal Response to Act 250 Requests \* \* \*

Sec. 12. 10 V.S.A. 6086(g) is added to read:

(g) If a municipality fails to respond to a request by the applicant within 90 days as to the impacts related to subdivision (a)(6) or (7) of this section, the application will be presumed not to have an unreasonable burden on educational, municipal, or governmental services.

\* \* \* Forest Blocks \* \* \*

Sec. 13. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

\* \* \*

(43) “Connecting habitat” means land or water, or both, that links patches of habitat within a landscape, allowing the movement, migration, and dispersal of wildlife and plants and the functioning of ecological processes. A connecting habitat may include features including recreational trails and improvements constructed for farming, logging, or forestry purposes.

(44) “Forest block” means a contiguous area of forest in any stage of succession and not currently developed for nonforest use. A forest block may include features including recreational trails, wetlands, or other natural features that do not themselves possess tree cover and improvements constructed for farming, logging, or forestry purposes.

(45) “Habitat” means the physical and biological environment in which a particular species of plant or wildlife lives.

Sec. 14. 10 V.S.A. § 6086(a)(8) is amended to read:

(8) Ecosystem protection; scenic beauty; historic sites.

(A) Aesthetics. Will not have an undue adverse effect on the scenic or natural beauty of the area, aesthetics, or historic sites ~~or rare and irreplaceable natural areas.~~

~~(A)(B)~~ Necessary wildlife habitat and endangered species. A permit will not be granted if it is demonstrated by any party opposing the applicant that a development or subdivision will destroy or significantly imperil necessary wildlife habitat or any endangered species; and:

(i) the economic, social, cultural, recreational, or other benefit to the public from the development or subdivision will not outweigh the economic, environmental, or recreational loss to the public from the destruction or imperilment of the habitat or species; ~~or~~

(ii) all feasible and reasonable means of preventing or lessening the destruction, diminution, or imperilment of the habitat or species have not been or will not continue to be applied; or

(iii) a reasonably acceptable alternative site is owned or controlled by the applicant ~~which~~ that would allow the development or subdivision to fulfill its intended purpose.

(C) Forest blocks and connecting habitat. Will not result in an undue adverse impact on forest blocks, connecting habitat, or rare and irreplaceable natural areas. If a project as proposed would result in an undue adverse impact, a permit may only be granted if effects are avoided or minimized and mitigated in accordance with rules adopted by the Board.

#### Sec. 15. CRITERION 8(C) RULEMAKING

(a) The Natural Resources Board (Board), in collaboration with the Agency of Natural Resources, shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6086(a)(8)(C). Rules adopted by the Board shall include:

(1) How forest blocks and connecting habitat are further defined, including their size, location, and function, which may include:

(A) information that will be available to the public to determine where forest blocks and connecting habitat are located; or

(B) advisory mapping resources, how they will be made available, how they will be used, and how they will be updated.

(2) Standards establishing how impacts can be avoided or minimized, including how fragmentation of forest blocks or connecting habitat is avoided or minimized, which may include steps to promote proactive site design of buildings, roadways and driveways, utility location, and location relative to existing features such as roads, tree lines, and fence lines.

(3)(A) As used in this section “fragmentation” generally means dividing land that has naturally occurring vegetation and ecological processes into smaller and smaller areas as a result of land uses that remove vegetation and create physical barriers that limit species’ movement and interrupt ecological processes between previously connected natural vegetation. However, the rules shall further define “fragmentation” for purposes of avoiding, minimizing, and mitigating undue adverse impacts on forest blocks and connecting habitat. “Fragmentation” does not include the division or conversion of a forest block or connecting habitat by an unpaved recreational trail or by improvements constructed for farming, logging, or forestry purposes below the elevation of 2,500 feet.

(B) As used in this subsection, “recreational trail” has the same meaning as “trails” in 10 V.S.A. § 442.

(4) Criteria to identify the circumstances when a forest block or connecting habitat is eligible for mitigation.

(5) Standards for how impacts to a forest block or connecting habitat may be mitigated. Standards may include:

(A) appropriate ratios for compensation;

(B) appropriate forms of compensation such as conservation easements, fee interests in land, and other forms of compensation; and

(C) appropriate uses of on-site and off-site mitigation.

(b) The Board shall convene a working group of stakeholders to provide input to the rule prior to prefilng with the Interagency Committee on Administrative Rules. The Board shall convene the working group on or before June 1, 2023.

(c) The Board shall file a final proposed rule with the Secretary of State and Legislative Committee on Administrative Rules on or before June 15, 2024.

Sec. 16. 10 V.S.A. § 127 is amended to read:

§ 127. RESOURCE MAPPING

(a) ~~On or before January 15, 2013, the~~ The Secretary of Natural Resources shall complete and maintain resource mapping based on the Geographic Information System (GIS) or other technology. The mapping shall identify natural resources throughout the State, including forest blocks and connecting habitat, that may be relevant to the consideration of energy projects and projects subject to chapter 151 of this title. The Center for Geographic Information shall be available to provide assistance to the Secretary in carrying out the GIS-based resource mapping.

(b) The Secretary of Natural Resources shall consider the GIS-based resource maps developed under subsection (a) of this section when providing evidence and recommendations to the Public Utility Commission under 30 V.S.A. § 248(b)(5) and when commenting on or providing recommendations under chapter 151 of this title to District Commissions on other projects.

(c) The Secretary shall establish and maintain written procedures that include a process and science-based criteria for updating resource maps developed under subsection (a) of this section. Before establishing or revising

these procedures, the Secretary shall provide opportunities for affected parties and the public to submit relevant information and recommendations.

\* \* \* Wood Products Manufacturers \* \* \*

Sec. 17. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

\* \* \*

(47) “Wood products manufacturer” means a manufacturer that aggregates wood products from forestry operations and adds value through processing or marketing in the wood products supply chain or directly to consumers through retail sales. “Wood products manufacturer” includes sawmills; veneer mills; pulp mills; pellet mills; producers of firewood, woodchips, mulch, and fuel wood; and log and pulp concentration yards. “Wood products manufacturer” does not include facilities that purchase, market, and resell finished goods, such as wood furniture, wood pellets, and milled lumber, without first receiving wood products from forestry operations.

(48) “Wood product” means logs, pulpwood, veneer wood, bolt wood, wood chips, stud wood, poles, pilings, biomass, fuel wood, maple sap, and bark.

Sec. 18. 10 V.S.A. § 6086(c) is amended to read:

(c)(1) Permit conditions. A permit may contain such requirements and conditions as are allowable proper exercise of the police power and ~~which that~~ are appropriate within the respect to subdivisions (a)(1) through (10) of this section, including those set forth in 24 V.S.A. §§ 4414(4), 4424(a)(2), 4414(1)(D)(i), 4463(b), and 4464, the dedication of lands for public use, and the filing of bonds to ensure compliance. The requirements and conditions incorporated from Title 24 may be applied whether or not a local plan has been adopted. General requirements and conditions may be established by rule of the Natural Resources Board.

(2) Permit conditions on a wood products manufacturer.

(A) When issuing a permit with conditions on wood products manufacturing and delivery, the District Commission shall account for the seasonal, weather-dependent, land-dependent, and varied conditions unique to the industry.

(B) A permit condition that sets hours of operation for a wood products manufacturer shall only be imposed to mitigate an impact under subdivision (a)(1), (5), or (8) of this section. If an adverse impact under would result, a permit with conditions shall allow the manufacturer to operate while



allowing for flexible timing of deliveries of wood products from forestry operations to the manufacturer outside permitted hours of operation, including nights, weekends, and holidays, for the number of days demonstrated by the manufacturer as necessary to enable deliveries, not to exceed 90 days per year.

(C) Permit with conditions on the delivery of wood heat fuels. A permit with conditions issued to a wood products manufacturer that produces wood chips, pellets, cord wood, or other fuel wood used for heat shall allow for flexible delivery of that fuel wood from the manufacturer to the end user outside permitted hours of operation, including nights, weekends, and holidays, from October 1 through April 30 of each year. Permits with conditions shall mitigate the undue adverse impacts while enabling deliveries by the manufacturer.

(D) Permit amendments. A wood products manufacturer holding a permit may request an amendment to existing permit conditions related to hours of operation and seasonal restrictions to be consistent with subdivisions (2) and (3) of this subsection. Requests for condition amendments under this subsection shall not be subject to Act 250 Rule 34(E).

Sec. 19. 10 V.S.A. § 6093 is amended to read:

§ 6093. MITIGATION OF PRIMARY AGRICULTURAL SOILS

(a) Mitigation for loss of primary agricultural soils. Suitable mitigation for the conversion of primary agricultural soils necessary to satisfy subdivision 6086(a)(9)(B)(iv) of this title shall depend on where the project tract is located.

\* \* \*

(5) Wood products manufacturers. Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils by a wood products manufacturer shall be allowed to pay a mitigation fee computed according to the provisions of subdivision (1) of this subsection, except that it shall be entitled to a ratio of 1:1 protected acres to acres of affected primary agricultural soil.

\* \* \* One-acre towns \* \* \*

Sec. 20. INTENT; AMENDMENT OF 10 V.S.A. § 6001(3)(A)(ii)

The General Assembly's intent in the amendments to 10 V.S.A. § 6001(3)(A)(ii) set forth in Sec. 21 of this act is to clarify the text to reflect the way jurisdiction over commercial and industrial development in towns without permanent zoning and subdivision bylaws has been determined since the passage of Act 250 in 1970. The General Assembly does not intend any

provision of this act to be interpreted as a substantive change to determining jurisdiction under 10 V.S.A. § 6001(3)(A)(ii).

Sec. 21. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

\* \* \*

(3)(A) “Development” means each of the following:

(i) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than 10 acres of land within a radius of five miles of any point on any involved land, for commercial or industrial purposes in a municipality that has adopted permanent zoning and subdivision bylaws.

(ii) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than one acre of land within a radius of five miles of any point on any involved land, for commercial or industrial purposes ~~on more than one acre of land within~~ in a municipality that has not adopted permanent zoning and subdivision bylaws.

\* \* \*

\* \* \* Reports \* \* \*

Sec. 22. REPORT; ACT 250 JURISDICTION OVER AGRICULTURAL BUSINESSES

On or before January 15, 2023, the Natural Resources Board shall submit to the General Assembly a report with recommendations on how Act 250 jurisdiction should be applied to agricultural businesses, including those located on properties already operating as farms. The Board shall consult with the Agency of Agriculture, Food and Markets, the Vermont Planners Association, the regional planning commissions, and other interested stakeholders. The report shall include recommendations as to how to clarify what is and what is not an accessory on-farm business. The report shall address the current land use planning requirements for farms and farms with accessory on-farm businesses and whether different types of businesses associated with farms and farming require different levels of review. The report may consider whether or not the location of such businesses is relevant and may consider the designation or adoption of agricultural business innovation zones with different levels of review.

---

Sec. 23. DESIGNATED AREA REPORT; APPROPRIATION

(a) The sum of \$150,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2023 for the purpose of hiring a consultant to evaluate the State designation programs established in 24 V.S.A. chapter 76A pursuant to subsection (b) of this section.

(b)(1) The Department of Housing and Community Development shall hire an independent consultant to:

(A) review and assess the State designation programs and incentives established in 24 V.S.A. chapter 76A that recognize and invest in the vitality of Vermont's compact settlement areas; and

(B) conduct statewide stakeholder outreach to support the evaluation of and future improvements to the programs, including participation by State, regional, municipal, and advocacy and non-governmental organizations.

(2) The consultant shall make recommendations on how to:

(A) objectively define and map existing compact settlements as a basis for broader recognition;

(B) improve the consistency between and among regional plans and future land use maps;

(C) modernize these programs, including consideration of program reform or consolidation;

(D) make the designation programs and associated benefits more accessible to municipalities;

(E) apply regulatory and non-regulatory benefits;

(F) strengthen designation and incentives as a platform for place-based economic development, climate-action, complete streets, and equity and efficiency of public investment and service delivery;

(G) implement the smart growth principles established by 24 V.S.A. § 2791; and

(H) achieve the goals established in 24 V.S.A. § 4302.

(3) On or before July 15, 2023, the consultant shall submit a written report to the General Assembly with its findings and any recommendations for legislative action.

## Sec. 24. REPORT; NATURAL RESOURCES BOARD

(a) On or before December 31, 2023, the Chair of the Natural Resources Board shall report to the House Committees on Natural Resources, Fish, and

Wildlife and on Ways and Means and the Senate Committees on Finance and on Natural Resources and Energy on necessary updates to the Act 250 program.

(b) The report shall include:

(1) How to transition to a system in which Act 250 jurisdiction is based on location, which shall encourage development in designated areas, the maintenance of intact rural working lands, and the protection of natural resources of statewide significance, including biodiversity. Location-based jurisdiction would adjust the threshold for Act 250 jurisdiction based on the characteristics of the location. This section of the report shall consider whether to develop thresholds and tiers of jurisdiction as recommended in the Commission on Act 250: the Next 50 Years Report.

(2) How to use the Capability and Development Plan to meet the statewide planning goals.

(3) An assessment of the current level of staffing of the Board and District Commissions, including whether there should be a district coordinator located in every district.

(4) Whether the permit fees are sufficient to cover the costs of the program and, if not, a recommendation for a source of revenue to supplement the fees.

(5) Whether the permit fees are effective in providing appropriate incentives.

(6) Whether the Board should be able to assess their costs on applicants.

\* \* \* Natural Resources Board \* \* \*

## Sec. 25. PURPOSE

The purpose of this act is to strengthen the administration of the Act 250 program by changing the structure, function, and name of the Natural Resources Board. This act requires that appeals of Act 250 permit decisions be heard by a five-member board called the Environmental Review Board. The Environmental Division of the Superior Court would continue to hear the other types of cases within its jurisdiction. The Environmental Review Board would keep the current duties of the Natural Resources Board in addition to hearing appeals. This change would allow the Act 250 program to return to how it was originally envisioned when enacted by being a citizen-friendly process. The Board would provide oversight, management, and training to the Act 250 program staff and District Commissions and develop Act 250 program policy through permit decisions and rulemaking.

Sec. 26. 10 V.S.A. § 6021 is amended to read:

§ 6021. BOARD; VACANCY; REMOVAL

(a) ~~A Natural Resources Board established.~~ The Environmental Review Board is created to administer the Act 250 program and hear appeals.

(1) ~~The Board shall consist of five members appointed by the Governor, after review and approval by the Environmental Review Board Nominating Committee in accordance with subdivision (2) of this section and confirmed with the advice and consent of the Senate, so that one appointment expires in each year. The Chair shall be a full-time position, and the other four members shall be half-time positions. In making these appointments, the Governor and the Senate shall give consideration to candidates who have experience, expertise, or skills relating to the environment or land use one or more of the following areas: environmental science, natural resources law and policy, land use planning, community planning, or environmental justice.~~

(A) ~~The Governor shall appoint a chair of the Board, a position that shall be a full-time position. The Governor shall ensure Board membership shall reflect, to the extent possible, the racial, ethnic, gender, and geographic diversity of the State. The Board shall not contain two members who reside in the same county.~~

(B) ~~Following initial appointments, the members, except for the Chair, shall be appointed for terms of four five years. All terms shall begin on July 1 and expire on June 30. A member may continue serving until a successor is appointed. The initial appointments shall be for staggered terms.~~

(2) ~~The Governor shall appoint up to five persons, with preference given to former Environmental Board, Natural Resources Board, or District Commission members, with the advice and consent of the Senate, to serve as alternates for Board members.~~

(A) ~~Alternates shall be appointed for terms of four years, with initial appointments being staggered~~ The Environmental Review Board Nominating Committee shall advertise the position when a vacancy will occur on the Environmental Review Board.

(B) ~~The Chair of the Board may assign alternates to sit on specific matters before the Board in situations where fewer than five members are available to serve~~ The Nominating Committee shall review the applicants to determine which are well-qualified for appointment to the Board and shall recommend those candidates to the Governor. The names of candidates shall be confidential.

(C) The Governor shall appoint, with the advice and consent of the Senate, a chair and four members of the Board from the list of well-qualified candidates sent to the Governor by the Committee.

(b) Any vacancy occurring in the membership of the Board shall be filled by the Governor for the unexpired portion of the term Terms; vacancy; succession. The term of each appointment subsequent to the initial appointments described in subsection (a) of this section shall be five years. Any appointment to fill a vacancy shall be for the unexpired portion of the term vacated. A member may seek reappointment by informing the Governor. If the Governor decides not to reappoint the member, the Nominating Committee shall advertise the vacancy.

(c) Removal. Notwithstanding the provisions of 3 V.S.A. § 2004, members shall only be removable for cause only, except the Chair, who shall serve at the pleasure of the Governor by the remaining members of the Board in accordance with the Vermont Administrative Procedures Act. The Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to define the basis and process for removal.

(d) Disqualified members. The Chair of the Board, upon request of the Chair of a District Commission, may appoint and assign former Commission members to sit on specific Commission cases when some or all of the regular members and alternates of the District Commission are disqualified or otherwise unable to serve.

(e) Retirement from office. When a Board member who hears all or a substantial part of a case retires from office before the case is completed, the member may remain a member of the Board, at the member's discretion, for the purpose of concluding and deciding that case and signing the findings and judgments involved. A retiring Chair shall also remain a member for the purpose of certifying questions of law if a party appeals to the Supreme Court. For the service, the member shall receive a reasonable compensation to be fixed by the remaining members of the Board and necessary expenses while on official business.

Sec. 27. 10 V.S.A. § 6032 is added to read:

§ 6032. ENVIRONMENTAL REVIEW BOARD NOMINATING  
COMMITTEE

(a) Creation. The Environmental Review Board Nominating Committee is created for the purpose of assessing the qualifications of applicants for appointment to the Environmental Review Board in accordance with section 6021 of this title.

(b) Members. The Committee shall consist of seven members who shall be appointed as follows:

(1) The Governor shall appoint three members from the Executive Branch, with at least one being an employee of the Department of Human Resources.

(2) The Speaker of the House of Representatives shall appoint two members from the House of Representatives.

(3) The Senate Committee on Committees shall appoint two members from the Senate.

(c) Terms. The members of the Committee shall serve for terms of two years. Members shall serve until their successors are appointed. Members shall serve not more than three consecutive terms in any capacity. A legislative member who is appointed as a member of the Committee shall retain the position for the term appointed to the Committee even if the member is subsequently not reelected to the General Assembly during the member's term on the Committee.

(d) Chair. The members shall elect their own chair.

(e) Quorum. A quorum of the Committee shall consist of four members.

(f) Staff and services. The Committee is authorized to use the staff and services of appropriate State agencies and departments as necessary to conduct investigations of applicants.

(g) Confidentiality. Except as provided in subsection (h) of this section, proceedings of the Committee, including the names of candidates considered by the Committee and information about any candidate submitted to the Governor, shall be confidential. The provisions of 1 V.S.A. § 317(e) (expiration of Public Records Act exemptions) shall not apply to the exemptions or confidentiality provisions in this subsection.

(h) Public information. The following shall be public:

(1) operating procedures of the Committee;

(2) standard application forms and any other forms used by the Committee, provided they do not contain personal information about a candidate or confidential proceedings;

(3) all proceedings of the Committee prior to the receipt of the first candidate's completed application; and

(4) at the time the Committee sends the names of the candidates to the Governor, the total number of applicants for the vacancies and the total number of candidates sent to the Governor.

(i) Reimbursement. Legislative members of the Committee shall be entitled to per diem compensation and reimbursement for expenses in accordance with 2 V.S.A. § 23. Compensation and reimbursement shall be paid from the legislative appropriation.

(j) Duties.

(1) When a vacancy occurs, the Committee shall review applicants to determine which are well-qualified for the Board and submit those names to the Governor. The Committee shall submit to the Governor a summary of the qualifications and experience of each candidate whose name is submitted to the Governor, together with any further information relevant to the matter.

(2) An applicant for the position of member of the Environmental Review Board shall not be required to be an attorney. If the candidate is admitted to practice law in Vermont or practices a profession requiring licensure, certification, or other professional regulation by the State, the Committee shall submit the candidate's name to the Court Administrator or the applicable State professional regulatory entity, and that entity shall disclose to the Committee any professional disciplinary action taken or pending concerning the candidate.

(3) Candidates shall be sought who have experience, expertise, or skills relating to one or more of the following areas: environmental science, natural resources law and policy, land use planning, community planning, or environmental justice.

(4) The Committee shall ensure a candidate possesses the following attributes:

(A) Integrity. A candidate shall possess a record and reputation for excellent character and integrity.

(B) Impartiality. A candidate shall exhibit an ability to make judicial determinations in a manner free of bias.

(C) Work ethic. A candidate shall demonstrate diligence.

(D) Availability. A candidate shall have adequate time to dedicate to the position.

Sec. 28. 10 V.S.A. § 6025 is amended to read:

§ 6025. RULES



(a) The Board may adopt rules of procedure for itself and the District Commissions. The Board shall adopt rules of procedure that govern appeals and other contested cases before it that are consistent with this chapter.

\* \* \*

Sec. 29. 10 V.S.A. § 6027 is amended to read:

§ 6027. POWERS

(a) The Board and District Commissions ~~each~~ shall have supervisory authority in environmental matters respecting projects within their jurisdiction and shall apply their independent judgment in determining facts and interpreting law. Each shall have the power, with respect to any matter within its jurisdiction, to:

(1) administer oaths, take depositions, subpoena and compel the attendance of witnesses, and require the production of evidence;

(2) allow parties to enter upon lands of other parties for the purposes of inspecting and investigating conditions related to the matter before the Board or Commission;

(3) enter upon lands for the purpose of conducting inspections, investigations, examinations, tests, and site evaluations as it deems necessary to verify information presented in any matter within its jurisdiction; and

(4) apply for and receive grants from the federal government and from other sources.

(b) The powers granted under this chapter are additional to any other powers ~~which~~ that may be granted by other legislation.

(c) ~~The Natural Resources Board~~ may designate or establish ~~such~~ regional offices as it deems necessary to implement the provisions of this chapter and the rules adopted ~~hereunder~~. ~~The Natural Resources Board~~ may designate or require a regional planning commission to receive applications, provide administrative assistance, perform investigations, and make recommendations.

(d) At the request of a District Commission, if the Board Chair determines that the workload in the requesting district is likely to result in unreasonable delays or that the requesting District Commission is disqualified to hear a case, the Chair may authorize the District Commission of another district to sit in the requesting district to consider one or more applications.

(e) ~~The Natural Resources Board~~ may by rule allow joint hearings to be conducted with specified State agencies or specified municipalities.

(f) ~~The Board shall publish its decisions online.~~ The Board may publish online or contract to publish annotations and indices of its decisions, the decisions of the Environmental Division of the Superior Court and the Supreme Court, and the text of those decisions. The published product shall be available at a reasonable rate to the general public and at a reduced rate to libraries and governmental bodies within the State.

(g) ~~The Natural Resources Board shall manage the process by which land use permits are issued under section 6086 of this title, may initiate enforcement on related matters under the provisions of chapters 201 and 211 of this title, and may petition the Environmental Division~~ initiate and hear petitions for revocation of land use permits issued under this chapter. Grounds for revocation are:

(1) noncompliance with this chapter, rules adopted under this chapter, or an order that is issued that relates to this chapter;

(2) noncompliance with any permit or permit condition;

(3) failure to disclose all relevant and material facts in the application or during the permitting process;

(4) misrepresentation of any relevant and material fact at any time;

(5) failure to pay a penalty or other sums owed pursuant to, or other failure to comply with, court order, stipulation agreement, schedule of compliance, or other order issued under Vermont statutes and related to the permit; or

(6) failure to provide certification of construction costs, as required under subsection 6083a(a) of this title, or failure to pay supplemental fees as required under that section.

(h) ~~The Natural Resources Board may hear appeals of fee refund requests under section 6083a of this title.~~ The Board shall hear appeals of decisions made by District Commissions and district coordinators.

(i) The Chair, subject to the direction of the Board, shall have general charge of the offices and employees of the Board and the offices and employees of the District Commissions.

(j) ~~The Natural Resources Board may participate as a party in all matters before the Environmental Division that relate to land use permits issued under this chapter.~~ [Repealed.]

\* \* \*

Sec. 30. 10 V.S.A. § 6022 is amended to read:

§ 6022. PERSONNEL

(a) Regular personnel. The Board may appoint legal counsel, scientists, engineers, experts, investigators, temporary employees, and administrative personnel as it finds necessary in carrying out its duties, ~~unless the Governor shall otherwise provide in providing personnel to assist the District Commissions and in investigating matters within its jurisdiction.~~

(b) Executive Director. The Board shall appoint an Executive Director. The Director shall be a full-time State employee, shall be exempt from the State classified system, and shall serve at the pleasure of the Board. The Director shall be responsible for:

(1) supervising and administering the operation and implementation of this chapter and the rules adopted by the Board as directed by the Board;

(2) assisting the Board in its duties and administering the requirements of this chapter;

(3) employing such staff as may be required to carry out the functions of the Board; and

(4) preparing an annual budget for submission to the Board.

Sec. 31. 10 V.S.A. § 6084 is amended to read:

§ 6084. NOTICE OF APPLICATION; HEARINGS; COMMENCEMENT OF REVIEW

(a) ~~On or before the date of~~ Upon the filing of an application with the District Commission, the ~~applicant~~ District Commission shall send, by electronic means, ~~notice and a copy of the initial application to the owner of the land if the applicant is not the owner; the municipality in which the land is located; the municipal and regional planning commissions for the municipality in which the land is located; the Vermont Agency of Natural Resources; and any adjacent Vermont municipality and municipal and regional planning commission if the land is located on a municipal or regional boundary. The applicant shall furnish to the District Commission the names of those furnished notice by affidavit, and shall post~~ send by electronic means a copy of the notice ~~in~~ to the town clerk's office of the town or towns in which the project lies. The town clerk shall post the notice in the town office. The applicant shall also provide a list of adjoining landowners to the District Commission. Upon request and for good cause, the District Commission may authorize the applicant to provide a partial list of adjoining landowners in accordance with Board rules.

\* \* \*

(e) Any notice for a major or minor application, as required by this section, shall also be published by the District Commission in a local newspaper generally circulating in the area where the development or subdivision is located and on the Board's website not more than ten days after receipt of a complete application.

\* \* \*

Sec. 32. 10 V.S.A. § 6086(f) is amended to read:

(f) Prior to any appeal of a permit issued by a District Commission, any aggrieved party may file a request for a stay of construction with the District Commission together with a declaration of intent to appeal the permit. The stay request shall be automatically granted for seven days upon receipt and notice to all parties and pending a ruling on the merits of the stay request pursuant to Board rules. The automatic stay shall not extend beyond the 30-day appeal period unless a valid appeal has been filed with the ~~Environmental Division Board~~. The automatic stay may be granted only once under this subsection during the 30-day appeal period. Following appeal of the District Commission decision, any stay request must be filed with the ~~Environmental Division~~ pursuant to the provisions of chapter 220 of this title ~~Board~~. A District Commission shall not stay construction authorized by a permit processed under the Board's minor application procedures.

Sec. 33. 10 V.S.A. § 6089 is amended to read:

§ 6089. APPEALS

~~Appeals of any act or decision of a District Commission under this chapter or a district coordinator under subsection 6007(e) of this title shall be made to the Environmental Division in accordance with chapter 220 of this title. For the purpose of this section, a decision of the Chair of a District Commission under section 6001e of this title on whether action has been taken to circumvent the requirements of this chapter shall be considered an act or decision of the District Commission.~~

(a)(1) An appeal of any act or decision of a District Commission shall be to the Board and shall be accompanied by a fee prescribed by section 6083a of this title.

(2) Participation before District Commission. A person shall not appeal an act or decision that was made by a District Commission unless the person was granted party status by the District Commission pursuant to subdivision 6085(c)(1)(E) of this title, participated in the proceedings before the District Commission, and retained party status at the end of the District Commission

proceedings. In addition, the person may only appeal those issues under the criteria with respect to which the person was granted party status. However, notwithstanding these limitations, a person may appeal an act or decision of the District Commission if the Board determines that:

(A) there was a procedural defect that prevented the person from obtaining party status or participating in the proceeding;

(B) the decision being appealed is the grant or denial of party status;  
or

(C) some other condition exists that would result in manifest injustice if the person's right to appeal was disallowed.

(3) An appellant to the Board, under this section, shall file with the notice of appeal a statement of the issues to be addressed in the appeal, a summary of the evidence that will be presented, and a preliminary list of witnesses who will testify on behalf of the appellant.

(4) The Board shall hold a de novo hearing on all findings requested by any party that files an appeal or cross appeal, according to the rules of the Board. The hearing shall be held in the municipality where the project subject to the appeal is located, if possible, or as close as possible.

(5) Notice of appeal shall be filed with the Board within 30 days following the act or decision by the District Commission. The Board shall notify the parties who had party status before the District Commission of the filing of any appeal.

(6) Prehearing discovery.

(A) A party may obtain discovery of expert witnesses who may provide testimony relevant to the appeal. Expert witness prefiled testimony shall be in accordance with the Vermont Rules of Evidence. The use of discovery for experts shall comply with the requirements in the Vermont Rules of Civil Procedure 26–37.

(B) Interrogatories served on nonexpert witnesses shall be limited to discovery of the identity of witnesses and a summary of each witness' testimony, except by order of the Board for cause shown. Interrogatories served on expert witnesses shall be in accordance with the Vermont Rules of Civil Procedure.

(C) Parties may submit requests to produce and requests to enter upon land pursuant to the Vermont Rule of Civil Procedure 34.

(D) Parties may not take depositions of witnesses, except by order of the Board for cause shown.

(E) The Board may require a party to supplement, as necessary, any prehearing testimony that is provided.

(b) Prior decisions of the former Environmental Board, Water Resources Board, Waste Facilities Panel, and Environmental Division of the Superior Court shall be given the same weight and consideration as prior decisions of the Environmental Review Board.

(c) An appeal from a decision of the Board under subsection (a) of this section shall be to the Supreme Court by a party as set forth in subsection 6085(c) of this title.

(d) No objection that has not been raised before the Board may be considered by the Supreme Court, unless the failure or neglect to urge such objection shall be excused because of extraordinary circumstances.

(e) An appeal of a decision by the Board shall be allowed pursuant to 3 V.S.A. § 815, including the unreasonableness or insufficiency of the conditions attached to a permit. An appeal from the District Commission shall be allowed for any reason, except no appeal shall be allowed when an application has been granted and no hearing was requested.

(f) Precedent from the former Environmental Board and of the Environmental Review Board that interpret Act 250 shall be provided the same deference by the Supreme Court as precedents accorded to other Executive Branch agencies charged with administering their enabling act. On appeal to the Supreme Court from the Environmental Review Board, decisions of the Environmental Review Board interpreting this act also shall be accorded that deference.

(g) Upon appeal to the Supreme Court, the Board's findings of fact shall be accepted unless clearly erroneous.

(h) Completion of case. A case shall be deemed completed when the Board enters a final decision even though that decision is appealed to the Supreme Court and remanded by that Court.

(i) Court of record; jurisdiction. The Board shall have the powers of a court of record in the determination and adjudication of all matters within its jurisdiction. It may initiate proceedings on any matter within its jurisdiction. It may render judgments and enforce the same by any suitable process issuable by courts in this State. An order issued by the Board on any matter within its jurisdiction shall have the effect of a judicial order. The Board's jurisdiction shall include:

(1) the issuance of declaratory rulings on the applicability of this chapter and rules or orders issued under this chapter, pursuant to 3 V.S.A. § 808; and

(2) the issuance of decisions on appeals pursuant to sections 6007 and 6089 of this title.

Sec. 34. 10 V.S.A. § 6007 is amended to read:

§ 6007. ACT 250 DISCLOSURE STATEMENT; JURISDICTIONAL  
DETERMINATION

\* \* \*

(c) With respect to the partition or division of land, or with respect to an activity that might or might not constitute development, any person may submit to the district coordinator an “Act 250 Disclosure Statement” and other information required by the rules of the Board and may request a jurisdictional opinion from the district coordinator concerning the applicability of this chapter. If a requestor wishes a final determination to be rendered on the question, the district coordinator, at the expense of the requestor and in accordance with rules of the Board, shall publish notice of the issuance of the opinion in a local newspaper generally circulating in the area where the land that is the subject of the opinion is located and shall serve the opinion on all persons listed in subdivisions 6085(c)(1)(A) through (D) of this title. In addition, the requestor who is seeking a final determination shall consult with the district coordinator and obtain approval of a subdivision 6085(c)(1)(E) list of persons who shall be notified by the district coordinator because they are adjoining property owners or other persons who would be likely to be able to demonstrate a particularized interest protected by this chapter that may be affected by an act or decision by a District Commission.

(d) A person who seeks review of a jurisdictional opinion issued by a district coordinator may bring to the Board an appeal of issues addressed in the opinion.

(1) The appellant shall provide notice of the filing of an appeal to each person entitled to notice under subdivisions 6085(c)(1)(A) through (D) of this title and to each person on an approved subdivision 6085(c)(1)(E) list.

(2) Failure to appeal within 30 days following the issuance of the jurisdictional opinion shall render the decision of the district coordinator under subsection (c) of this section the final determination regarding jurisdiction unless the underlying jurisdictional opinion was not properly served on persons listed in subdivisions 6085(c)(1)(A) through (D) of this title and on

persons on a subdivision 6085(c)(1)(E) list approved under subsection (c) of this section.

Sec. 35. 10 V.S.A. § 6083a is amended to read:

§ 6083a. ACT 250 FEES

\* \* \*

(i) All persons filing an appeal, cross appeal, or petition from a District Commission decision or jurisdictional determination shall pay a fee of \$295.00, plus publication costs.

\* \* \* Appeals \* \* \*

Sec. 36. 10 V.S.A. chapter 220 is amended to read:

#### CHAPTER 220. CONSOLIDATED ENVIRONMENTAL APPEALS

##### § 8501. PURPOSE

It is the purpose of this chapter to:

(1) consolidate existing appeal routes for municipal zoning and subdivision decisions and acts or decisions of the Secretary of Natural Resources, ~~district environmental coordinators, and District Commissions,~~ excluding enforcement actions brought pursuant to chapters 201 and 211 of this title and the adoption of rules under 3 V.S.A. chapter 25;

(2) standardize the appeal periods, the parties who may appeal these acts or decisions, and the ability to stay any act or decision upon appeal, taking into account the nature of the different programs affected;

(3) ~~encourage people to get involved in the Act 250 permitting process at the initial stages of review by a District Commission by requiring participation as a prerequisite for an appeal of a District Commission decision to the Environmental Division;~~

(4) ~~assure~~ ensure that clear appeal routes exist for acts and decisions of the Secretary of Natural Resources; and

(5)(4) consolidate appeals of decisions related to renewable energy generation plants and telecommunications facilities with review under, respectively, 30 V.S.A. §§ 248 and 248a, with appeals and consolidation of proceedings pertaining to telecommunications facilities occurring only while 30 V.S.A. § 248a remains in effect.

##### § 8502. DEFINITIONS

As used in this chapter:



(1) ~~“District Commission” means a District Environmental Commission established under chapter 151 of this title. [Repealed.]~~

(2) ~~“District coordinator” means a district environmental coordinator attached to a District Commission established under chapter 151 of this title. [Repealed.]~~

(3) “Environmental Court” or “Environmental Division” means the Environmental Division of the Superior Court established by 4 V.S.A. § 30.

(4) ~~“Natural Resources Environmental Review Board”~~ or “Board” means the Board established under chapter 151 of this title.

(5) “Party by right” means the following:

(A) the applicant;

(B) the landowner, if the applicant is not the landowner;

(C) the municipality in which the project site is located and the municipal and regional planning commissions for that municipality;

(D) if the project site is located on a boundary, any Vermont municipality adjacent to that border and the municipal and regional planning commissions for that municipality;

(E) the solid waste management district in which the land is located, if the development or subdivision constitutes a facility pursuant to subdivision 6602(10) of this title;

(F) any State agency affected by the proposed project.

(6) “Person” means any individual; partnership; company; corporation; association; joint venture; trust; municipality; the State of Vermont or any agency, department, or subdivision of the State; any federal agency; or any other legal or commercial entity.

(7) “Person aggrieved” means a person who alleges an injury to a particularized interest protected by the provisions of law listed in section 8503 of this title, attributable to an act or decision by ~~a district coordinator, District Commission,~~ the Secretary, or the Environmental Division that can be redressed by the Environmental Division or the Supreme Court.

(8) “Secretary” means the Secretary of Natural Resources or the Secretary’s duly authorized representative. As used in this chapter, “Secretary” shall also mean the Commissioner of Environmental Conservation, the Commissioner of Forests, Parks and Recreation, and the Commissioner of Fish and Wildlife, with respect to those statutes that refer to the authority of that commissioner or department.

## § 8503. APPLICABILITY

(a) This chapter shall govern all appeals of an act or decision of the Secretary, excluding enforcement actions under chapters 201 and 211 of this title and rulemaking, under the following authorities and under the rules adopted under those authorities:

\* \* \*

(b) ~~This chapter shall govern:~~

~~(1) all appeals from an act or decision of a District Commission under chapter 151 of this title, excluding appeals of application fee refund requests;~~

~~(2) appeals from an act or decision of a district coordinator under subsection 6007(c) of this title;~~

~~(3) appeals from findings of fact and conclusions of law issued by the Natural Resources Board in its review of a designated growth center for conformance with the criteria of subsection 6086(a) of this title, pursuant to authority granted at 24 V.S.A. § 2793e(f). [Repealed.]~~

(c) This chapter shall govern all appeals arising under 24 V.S.A. chapter 117, the planning and zoning chapter.

(d) This chapter shall govern all appeals from an act or decision of the Environmental Division under this chapter.

(e) This chapter shall not govern appeals from rulemaking decisions by the ~~Natural Resources~~ Environmental Review Board under chapter 151 of this title or enforcement actions under chapters 201 and 211 of this title.

(f) This chapter shall govern all appeals of acts or decisions of the legislative body of a municipality arising under 24 V.S.A. chapter 61, subchapter 10, relating to the municipal certificate of approved location for salvage yards.

(g) This chapter shall govern all appeals of an act or decision of the Secretary of Natural Resources that a solid waste implementation plan for a municipality proposed under 24 V.S.A. § 2202a conforms with the State Solid Waste Implementation Plan adopted pursuant to section 6604 of this title.

## § 8504. APPEALS TO THE ENVIRONMENTAL DIVISION

(a) ~~Act 250 and~~ Agency appeals. Within 30 days of the date of ~~following~~ the act or decision, any person aggrieved by an act or decision of the Secretary, ~~a District Commission, or a district coordinator~~ under the provisions of law listed in section 8503 of this title, or any party by right, may appeal to the Environmental Division, except for an act or decision of the Secretary

under subdivision 6086b(3)(E) of this title or governed by section 8506 of this title.

\* \* \*

(c) Notice of the filing of an appeal.

~~(1) Upon filing an appeal from an act or decision of the District Commission, the appellant shall notify all parties who had party status as of the end of the District Commission proceeding, all friends of the Commission, and the Natural Resources Board that an appeal is being filed. In addition, the appellant shall publish notice not more than 10 days after providing notice as required under this subsection, at the appellant's expense, in a newspaper of general circulation in the area of the project that is the subject of the decision. [Repealed.]~~

\* \* \*

~~(d) Requirement to participate before the District Commission or the Secretary.~~

~~(1) Participation before District Commission. An aggrieved person shall not appeal an act or decision that was made by a District Commission unless the person was granted party status by the District Commission pursuant to subdivision 6085(c)(1)(E) of this title, participated in the proceedings before the District Commission, and retained party status at the end of the District Commission proceedings. In addition, the person may only appeal those issues under the criteria with respect to which the person was granted party status. However, notwithstanding these limitations, an aggrieved person may appeal an act or decision of the District Commission if the Environmental judge determines that:~~

~~(A) there was a procedural defect that prevented the person from obtaining party status or participating in the proceeding;~~

~~(B) the decision being appealed is the grant or denial of party status;~~  
~~or~~

~~(C) some other condition exists that would result in manifest injustice if the person's right to appeal was disallowed. [Repealed.]~~

~~(2) Participation before the Secretary.~~

\* \* \*

(e) Act 250 jurisdictional determinations by a district coordinator.

~~(1) The appellant shall provide notice of the filing of an appeal to each person entitled to notice under subdivisions 6085(c)(1)(A) through (D) of this~~

title, to each person on an approved subdivision 6085(c)(1)(E) list, and to the Natural Resources Board.

~~(2) Failure to appeal within the time required under subsection (a) of this section shall render the decision of the district coordinator under subsection 6007(c) of this title the final determination regarding jurisdiction under chapter 151 of this title unless the underlying jurisdictional opinion was not properly served on persons listed in subdivisions 6085(c)(1)(A) through (D) of this title and on persons on a subdivision 6085(c)(1)(E) list approved under subsection 6007(c) of this title. [Repealed.]~~

\* \* \*

(g) Consolidated appeals. The Environmental Division may consolidate or coordinate different appeals where those appeals all relate to the same project.

\* \* \*

~~(i) Deference to Agency technical determinations. In the adjudication of appeals relating to land use permits under chapter 151 of this title, technical determinations of the Secretary shall be accorded the same deference as they are accorded by a District Commission under subsection 6086(d) of this title. [Repealed.]~~

\* \* \*

(k) Limitations on appeals. Notwithstanding any other provision of this section;

~~(1) there shall be no appeal from a District Commission decision when the Commission has issued a permit and no hearing was requested or held, or no motion to alter was filed following the issuance of an administrative amendment;~~

~~(2) a municipal decision regarding whether a particular application qualifies for a recorded hearing under 24 V.S.A. § 4471(b) shall not be subject to appeal;~~

~~(3) if a District Commission issues a partial decision under subsection 6086(b) of this title, any appeal of that decision must be taken within 30 days of the date of that decision.~~

(l) Representation. The Secretary may represent the Agency of Natural Resources in all appeals under this section. The Chair of the Natural Resources Board may represent the Board in any appeal under this section, unless the Board directs otherwise. If more than one State agency, other than the Board, either appeals or seeks to intervene in an appeal under this section,

only the Attorney General may represent the interests of those agencies of the State in the appeal.

(m) Precedent. Prior decisions of the Environmental Board, Water Resources Board, and Waste Facilities Panel shall be given the same weight and consideration as prior decisions of the Environmental Division.

(n) Intervention. Any person may intervene in a pending appeal if that person:

(1) appeared as a party in the action appealed from and retained party status;

(2) is a party by right;

(3) ~~is the Natural Resources Board;~~ [Repealed.]

(4) is a person aggrieved, as defined in this chapter;

(5) qualifies as an “interested person,” as established in 24 V.S.A. § 4465, with respect to appeals under 24 V.S.A. chapter 117; or

(6) meets the standard for intervention established in the Vermont Rules of Civil Procedure.

(o) With respect to review of an act or decision of the Secretary pursuant to 3 V.S.A. § 2809, the Division may reverse the act or decision or amend an allocation of costs to an applicant only if the Division determines that the act, decision, or allocation was arbitrary, capricious, or an abuse of discretion. In the absence of such a determination, the Division shall require the applicant to pay the Secretary all costs assessed pursuant to 3 V.S.A. § 2809.

(p) Administrative record. The Secretary shall certify the administrative record as defined in chapter 170 of this title and shall transfer a certified copy of that record to the Environmental Division when:

~~(1) there is an appeal of an act or decision of the Secretary that is based on that record; or~~

~~(2) there is an appeal of a decision of a District Commission, and the applicant used a decision of the Secretary based on that record to create a presumption under a criterion of subsection 6086(a) of this title that is at issue in the appeal.~~

#### § 8505. APPEALS TO THE SUPREME COURT

(a) Any person aggrieved by a decision of the Environmental Division pursuant to this subchapter, any party by right, or any person aggrieved by a decision of the Environmental Review Board may appeal to the Supreme

Court within 30 days ~~of~~ following the date of the entry of the order or judgment appealed from, provided that:

(1) the person was a party to the proceeding before the Environmental Division; ~~or~~

(2) the decision being appealed is the denial of party status; or

(3) the Supreme Court determines that:

(A) there was a procedural defect that prevented the person from participating in the proceeding; or

(B) some other condition exists that would result in manifest injustice if the person's right to appeal were disallowed.

\* \* \*

\* \* \* Environmental Division \* \* \*

Sec. 37. 4 V.S.A. § 34 is amended to read:

#### § 34. JURISDICTION; ENVIRONMENTAL DIVISION

The Environmental Division shall have:

(1) jurisdiction of matters arising under 10 V.S.A. chapters 201 and 220; and

(2) jurisdiction of matters arising under 24 V.S.A. chapter 61, subchapter 12 and 24 V.S.A. chapter 117; ~~and~~

~~(3) original jurisdiction to revoke permits under 10 V.S.A. chapter 151.~~

\* \* \* Appropriation; Transition; Revision Authority \* \* \*

#### Sec. 38. ENVIRONMENTAL REVIEW BOARD POSITIONS;

##### APPROPRIATION

(a) The following new positions are created at the Environmental Review Board for the purposes of carrying out this act:

(1) one Staff Attorney 1; and

(2) four half-time Environmental Review Board members.

(b) The sum of \$384,000.00 is appropriated to the Environmental Review Board from the General Fund in fiscal year 2023 for the positions established in subsection (a) of this section and for additional operating costs required to implement the appeals process established in this act.

## Sec. 39. NATURAL RESOURCES BOARD TRANSITION

(a) The Governor shall appoint the members of Environmental Review Board on or before July 1, 2023, and the terms of any Natural Resources Board member not appointed consistent with the requirements of 10 V.S.A. § 6021(a)(1)(A) or (B) shall expire on that day.

(b) As of July 1, 2023, all appropriations and employee positions of the Natural Resources Board are transferred to the Environmental Review Board.

(c) The Environmental Review Board shall adopt rules of procedure for its hearing process pursuant to 10 V.S.A. § 6025(a) on or before July 1, 2024.

## Sec. 40. ENVIRONMENTAL DIVISION; CONTINUED JURISDICTION

Notwithstanding the repeal of its jurisdictional authority to hear appeals relative to land use permits under Sec. 36 of this act, the Environmental Division of the Superior Court shall continue to have jurisdiction to complete its consideration of any appeal that is pending before it as of July 1, 2024 if the act or appeal has been filed. The Environmental Review Board shall have authority to be a party in any appeals pending under this section until July 1, 2024.

## Sec. 41. REVISION AUTHORITY

In preparing the Vermont Statutes Annotated for publication in 2022, the Office of Legislative Counsel shall replace all references to the “Natural Resources Board” with the “Environmental Review Board” in Title 3, Title 10, Title 24, Title 29, Title 30, and Title 32.

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

## Sec. 42. EFFECTIVE DATES

This act shall take effect on passage except that Sec. 14 (10 V.S.A. § 6086(a)(8)) shall take effect on September 1, 2024 and Secs. 36 and 37 (10 V.S.A. chapter 220; 4 V.S.A. § 34) shall take effect on July 1, 2024.

**Rep. Ode of Burlington**, for the Committee on Ways and Means, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Natural Resources, Fish, and Wildlife.

**Rep. Squirrel of Underhill**, for the Committee on Appropriations, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Natural Resources, Fish, and Wildlife and when the proposal of amendment is amended as follows:

By striking Sec. 6, appropriation, in its entirety and inserting in lieu thereof the following:

Sec. 6. MUNICIPAL BYLAW MODERNIZATION GRANT FUNDING

Of the funds appropriated in fiscal year 2023 to the municipality allocation of the Municipal and Regional Planning Fund, up to \$650,000.00 shall be used for Municipal Bylaw Modernization Grants as established in 24 V.S.A. § 4307.

The bill having appeared on the Notice Calendar was taken up, read the second time, and the report of the Committee on Natural Resources, Fish, and Wildlife was amended as recommended by the Committee on Appropriations.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Natural Resources, Fish, and Wildlife, as amended?, **Rep. Donahue of Northfield** requested that the question be divided by first considering Secs. 1-24 and their related effective dates in Sec. 42 of the report of the Committee on Natural Resources, Fish, and Wildlife, as amended, then second, Secs. 25-41 and their related effective dates in Sec. 42 of that same report, which the Speaker confirmed was allowable.

Thereupon, the question of the first division, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Natural Resources, Fish and Wildlife, as amended, in Secs. 1-24 and their effective dates in Sec. 42?, was agreed to.

Thereafter, the question of the second division, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Natural Resources, Fish, and Wildlife, as amended, in Secs. 25-41 and their related effective dates in Sec. 42?, was agreed to in a vote by division: Yeas, 94; Nays, 45.

Pending the question, Shall the bill be read a third time?, **Rep. Sheldon of Middlebury** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be read a third time?, was decided in the affirmative. Yeas, 99. Nays, 43.

Those who voted in the affirmative are:

Ancel of Calais	Gannon of Wilmington	Ode of Burlington
Anthony of Barre City	Garofano of Essex	Pajala of Londonderry
Arrison of Weathersfield	Goldman of Rockingham	Partridge of Windham
Austin of Colchester	Grad of Moretown	Patt of Worcester
Bartholomew of Hartland	Hooper of Montpelier	Pugh of South Burlington
Birong of Vergennes	Hooper of Randolph	Rachelson of Burlington
Black of Essex	Houghton of Essex	Rogers of Waterville



Bluemle of Burlington	Howard of Rutland City	Satcowitz of Randolph
Bock of Chester	James of Manchester	Scheu of Middlebury
Bongartz of Manchester	Jerome of Brandon	Sheldon of Middlebury
Bos-Lun of Westminster	Jessup of Middlesex	Sibilia of Dover
Brady of Williston	Killackey of South Burlington	Sims of Craftsbury *
Briglin of Thetford	Kimbell of Woodstock	Small of Winooski
Brown of Richmond	Kitzmiller of Montpelier	Squirrell of Underhill
Brownell of Pownal	Kornheiser of Brattleboro	Stebbins of Burlington
Brumsted of Shelburne	LaLonde of South	Stevens of Waterbury
Burke of Brattleboro	Burlington	Sullivan of Dorset
Burrows of West Windsor	Lanpher of Vergennes	Surprenant of Barnard
Campbell of St. Johnsbury	Lefebvre of Newark	Taylor of Colchester
Chase of Colchester	Lippert of Hinesburg	Till of Jericho
Christie of Hartford	Long of Newfane	Toleno of Brattleboro
Cina of Burlington	Masland of Thetford	Townsend of South
Coffey of Guilford	McCarthy of St. Albans City	Burlington
Colston of Winooski	McCormack of Burlington	Troiano of Stannard
Conlon of Cornwall	McCullough of Williston	Vyhovsky of Essex
Copeland Hanzas of	Morris of Springfield	Walz of Barre City
Bradford	Mrowicki of Putney	Webb of Shelburne
Corcoran of Bennington	Mulvaney-Stanak of	White of Bethel
Cordes of Lincoln	Burlington	White of Hartford
Dolan of Essex	Murphy of Fairfax	Whitman of Bennington
Dolan of Waitsfield	Nicoll of Ludlow	Wood of Waterbury
Donnelly of Hyde Park	Nigro of Bennington	Yacovone of Morristown
Durfee of Shaftsbury	Notte of Rutland City	Yantachka of Charlotte
Elder of Starksboro	Noyes of Wolcott	
Emmons of Springfield	O'Brien of Tunbridge	

Those who voted in the negative are:

Achey of Middletown	Harrison of Chittenden	Morgan, M. of Milton
Springs	Helm of Fair Haven	Morrissey of Bennington
Beck of St. Johnsbury	Higley of Lowell	Norris of Sheldon
Brennan of Colchester	Kascenska of Burke	Norris of Shoreham
Canfield of Fair Haven	Labor of Morgan	Page of Newport City
Cupoli of Rutland City	LaClair of Barre Town	Parsons of Newbury
Dickinson of St. Albans	Laroche of Franklin	Peterson of Clarendon
Town	Lefebvre of Orange	Rosenquist of Georgia
Donahue of Northfield *	Leffler of Enosburgh	Scheuermann of Stowe
Fagan of Rutland City	Marcotte of Coventry	Shaw of Pittsford
Feltus of Lyndon	Martel of Waterford	Smith of Derby
Goslant of Northfield *	Mattos of Milton	Strong of Albany
Graham of Williamstown	McCoy of Poultney	Toof of St. Albans Town
Gregoire of Fairfield	McFaun of Barre Town	Walker of Swanton
Hango of Berkshire	Morgan, L. of Milton	Williams of Granby

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

Burditt of West Rutland	Palasik of Milton	Terenzini of Rutland Town
Colburn of Burlington	Pearl of Danville	

Hooper of Burlington

Smith of New Haven

**Rep. Donahue of Northfield** explained her vote as follows:

“Madam Speaker:

It is unfortunate when a separate bill that is a detriment to our processes is tacked on to one that could move us forward, because it forces my ‘no’ vote. I can at least hope that a positive iteration returns to this body for further action.”

**Rep. Goslant of Northfield** explained his vote as follows:

“Madam Speaker:

I voted no. This could have been a bill that we all could have been closer in agreement. Act 250 is outdated and needs reform. It is my hope in the future we work closer together to establish a fair, timely, and equitable process that benefits all of Vermont. After all we all want a better climate to protect the beauty of all of Vermont.”

**Rep. Sims of Craftsbury** explained her vote as follows:

“Madam Speaker:

Vermont’s landmark Act 250 law has been instrumental in sustaining the Vermont we love, balancing the preservation of our unique landscape with the economic and development needs of our communities. As we face a growing housing crisis, new pressures on our working landscape, and the adverse impacts of climate change, this bill takes important steps to modernize Act 250 to better serve the needs of today’s businesses and communities.”

**Favorable Report; Second Reading;  
Third Reading Ordered**

**H. 746**

**Rep. Gannon of Wilmington**, for the Committee on Government Operations, to which had been referred House bill, entitled

An act relating to an amendment to the charter of the City of Burlington

Reported in favor of its passage. The bill, having appeared on the Notice Calendar, was taken up and read the second time.

Pending the question, Shall the bill be read a third time?, **Rep. LaClair of Barre Town** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the

question, Shall the bill be read a third time?, was decided in the affirmative. Yeas, 105. Nays, 33.

Those who voted in the affirmative are:

Ancel of Calais	Gannon of Wilmington	Noyes of Wolcott
Anthony of Barre City	Garofano of Essex	O'Brien of Tunbridge
Arrison of Weathersfield	Goldman of Rockingham	Ode of Burlington
Austin of Colchester	Grad of Moretown	Pajala of Londonderry
Bartholomew of Hartland	Gregoire of Fairfield	Partridge of Windham
Beck of St. Johnsbury	Helm of Fair Haven	Patt of Worcester
Birong of Vergennes	Hooper of Randolph	Pugh of South Burlington
Black of Essex	Houghton of Essex	Rachelson of Burlington
Bluemle of Burlington	Howard of Rutland City	Rogers of Waterville
Bongartz of Manchester	James of Manchester	Satcowitz of Randolph
Bos-Lun of Westminster	Jerome of Brandon	Scheu of Middlebury
Brady of Williston	Jessup of Middlesex	Shaw of Pittsford
Briglin of Thetford	Kascenska of Burke	Sheldon of Middlebury
Brown of Richmond	Killacky of South Burlington	Sibilia of Dover
Brownell of Pownal	Kimbell of Woodstock	Sims of Craftsbury
Brumsted of Shelburne	Kitzmiller of Montpelier	Small of Winooski
Burke of Brattleboro	Kornheiser of Brattleboro *	Squirrell of Underhill
Burrows of West Windsor	LaLonde of South	Stebbins of Burlington
Campbell of St. Johnsbury	Burlington	Stevens of Waterbury
Chase of Colchester	Lanpher of Vergennes	Sullivan of Dorset
Christie of Hartford	Leffler of Enosburgh	Surprenant of Barnard
Cina of Burlington	Lippert of Hinesburg	Taylor of Colchester
Coffey of Guilford	Long of Newfane	Toleno of Brattleboro
Colston of Winooski	Marcotte of Coventry	Townsend of South
Conlon of Cornwall	Masland of Thetford	Burlington
Copeland Hanzas of	McCarthy of St. Albans City	Troiano of Stannard
Bradford	McCormack of Burlington	Vyhovsky of Essex *
Corcoran of Bennington	McCullough of Williston	Walz of Barre City
Cordes of Lincoln	Morris of Springfield	Webb of Shelburne
Dolan of Essex	Mrowicki of Putney	White of Bethel
Dolan of Waitsfield	Mulvaney-Stanak of	White of Hartford
Donahue of Northfield	Burlington *	Whitman of Bennington
Donnally of Hyde Park	Murphy of Fairfax	Wood of Waterbury
Durfee of Shaftsbury	Nicoll of Ludlow	Yacovone of Morristown
Elder of Starksboro	Nigro of Bennington	Yantachka of Charlotte
Emmons of Springfield	Norris of Shoreham	
Feltus of Lyndon	Notte of Rutland City	

Those who voted in the negative are:

Achey of Middletown	Higley of Lowell	Norris of Sheldon
Springs	Labor of Morgan	Page of Newport City
Brennan of Colchester	LaClair of Barre Town	Parsons of Newbury
Canfield of Fair Haven	Laroche of Franklin	Peterson of Clarendon
Cupoli of Rutland City	Lefebvre of Newark	Rosenquist of Georgia

Dickinson of St. Albans  
Town  
Fagan of Rutland City  
Goslant of Northfield  
Graham of Williamstown  
Hango of Berkshire  
Harrison of Chittenden

Lefebvre of Orange  
Martel of Waterford  
Mattos of Milton  
McCoy of Poultney  
McFaun of Barre Town  
Morgan, M. of Milton  
Morrissey of Bennington

Scheuermann of Stowe  
Smith of Derby  
Strong of Albany  
Toof of St. Albans Town  
Walker of Swanton  
Williams of Granby

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

Bock of Chester  
Burditt of West Rutland  
Colburn of Burlington  
Hooper of Montpelier

Hooper of Burlington  
Morgan, L. of Milton  
Palasik of Milton  
Pearl of Danville

Smith of New Haven  
Terenzini of Rutland Town  
Till of Jericho

**Rep. Kornheiser of Brattleboro** explained her vote as follows:

“Madam Speaker:

I vote yes today as an affirmation of people’s rights over their own bodies and towards the increased safety and security and self-determination that right provides.”

**Rep. Mulvaney-Stanak of Burlington** explained her vote as follows:

“Madam Speaker:

I voted yes because language matters. And addressing and eradicating sexism, wherever it exists, matters.”

**Rep. Vyhovsky of Essex** explained her vote as follows:

“Madam Speaker:

This charter change was supported by over 69% of Burlington voters. This change removes arcane and dehumanizing language. The stigma this language creates does far more harm to sex workers and victims of trafficking than it does to protect them. I vote yes to affirm the humanity of sex workers and victims of trafficking and to eliminate oppressive language.”

**Favorable Report; Second Reading;  
Third Reading Ordered**

**S. 122**

**Rep. Vyhovsky of Essex**, for the Committee on Government Operations, to which had been referred Senate bill, entitled

An act relating to the required votes of presidential electors

Reported in favor of its passage in concurrence.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, and third reading ordered.

**Action on Bill Postponed**

**S. 139**

Senate bill, entitled

An act relating to nondiscriminatory school branding

Was taken up, and pending the reading of the report of the Committee on Education, on motion of **Rep. Webb of Shelburne**, action on the bill was postponed until May 5, 2022.

**Second Reading; Proposal of Amendment Agreed to;  
Third Reading Ordered**

**S. 161**

**Rep. Patt of Worcester**, for the Committee on Energy and Technology, to which had been referred Senate bill, entitled

An act relating to extending the baseload renewable power portfolio requirement

Reported in favor of its passage in concurrence with proposal of amendment by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 30 V.S.A. § 8009 is amended to read:

§ 8009. BASELOAD RENEWABLE POWER PORTFOLIO  
REQUIREMENT

\* \* \*

(b) Notwithstanding subsection 8004(a) and subdivision 8005(c)(1) of this title, commencing November 1, 2012, each Vermont retail electricity provider shall purchase the provider's pro rata share of the baseload renewable power portfolio requirement, which shall be based on the total Vermont retail kWh sales of all such providers for the previous calendar year. The obligation created by this subsection shall cease on November 1, 2024 2032 unless terminated earlier pursuant to subsection (k) of this section.

\* \* \*

(d) ~~The~~ On or before November 1, 2026, the Commission shall determine, for the period beginning on November 1, 2026 and ending on November 1, 2032, the price to be paid to a plant used to satisfy the baseload renewable power portfolio requirement. The Commission shall not be required to make this determination as a contested case under 3 V.S.A. chapter 25. The price shall be the avoided cost of the Vermont composite electric utility system. ~~In~~ As used in this subsection, the term “avoided cost” means the incremental cost to retail electricity providers of electric energy or capacity, or both, which, but for the purchase from the plant proposed to satisfy the baseload renewable power portfolio requirement, such providers would obtain from a source using the same generation technology as the proposed plant. ~~In~~ For the purposes of this subsection, the term “avoided cost” also includes the Commission’s consideration of each of the following:

(1) The relevant cost data of the Vermont composite electric utility system.

(2) The terms of the potential contract, including the duration of the obligation.

(3) The availability, during the system’s daily and seasonal peak periods, of capacity or energy from a proposed plant.

(4) The relationship of the availability of energy or, capacity, renewable energy credits and attributes, and other ISO New England revenue streams from the proposed plant to the ability of the Vermont composite electric utility system or a portion thereof to avoid costs. Vermont retail electricity providers shall receive all output of the baseload renewable plant unless the contract price is reduced to reflect the value of all products, attributes, and services that are retained by the seller.

(5) The costs or savings resulting from variations in line losses from those that would have existed in the absence of purchases from the proposed plant.

(6) The supply and cost characteristics of the proposed plant, including the costs of operation and maintenance of an existing plant during the term of a proposed contract.

(7) Mechanisms for encouraging dispatch of the plant relative to the ISO New England wholesale energy price and value of regional renewable energy credits while also respecting the physical operating parameters, the fixed costs of the proposed plant, and the impact on the forest economy.

(8) The appropriate assignment of risks associated with the ISO New England Forward Capacity Market Pay for Performance program.

(e) In determining the price under subsection (d) of this section, the Commission:

(1) may require a plant proposed to be used to satisfy the baseload renewable power portfolio requirement to produce such information as the Commission reasonably deems necessary;

(2) shall not consider the following in the determination of avoided cost:

(A) capital investments made to meet the efficiency goal established in subsection (k) of this section;

(B) revenue generated by the capital investment made to meet the efficiency goal established in subsection (k) of this section; and

(C) operational costs and operational impacts associated with the project or projects implemented to meet the efficiency goals established in subsection (k) of this section; and

(3) notwithstanding subdivision (2)(C), shall consider sharing with Vermont retail electricity providers the benefits associated with waste heat that may be used to benefit a facility that does not provide baseload renewable energy.

(f) With respect to a plant used to satisfy the baseload renewable power portfolio requirement:

\* \* \*

(2) Any tradeable renewable energy credits and attributes that are attributable to the electricity purchased shall be transferred to the Vermont retail electricity providers in accordance with their pro rata share of the costs for such electricity as determined under subdivision (1) of this subsection unless the Commission approves the plant owner retaining renewable energy credits and attributes or other ISO New England revenue streams. If the Commission approves the plant owner retaining renewable energy credits and attributes, or other ISO New England revenue streams, the price paid by the Vermont retail electricity providers pursuant to this section may be reduced by the Commission to reflect the value of those credits, attributes, products, or services.

\* \* \*

(j) The Commission shall authorize any Agency participating in a proceeding pursuant to this section or an order issued under this section to assess its costs against a proposed plant consistent with section 21 of this title.

(k) Collocation and efficiency requirements.

(1) The owner of the plant used to satisfy the baseload renewable power portfolio requirement shall cause the plant's overall efficiency to be increased by at least 50 percent relative to the 12-month period preceding July 1, 2022. In achieving this efficiency, the owner shall comply with the requirements of this subsection.

(2) On or before July 1, 2023, the owner of the plant shall submit to the Commission and the Department:

(A) A signed contract providing for the construction of a facility at the plant that utilizes the excess thermal heat generated at the plant for a beneficial purpose. As used in this subdivision (A), beneficial purpose may include the displacement of fossil fuel use for the sustainable production of a product or service or more efficient or less costly generation of electricity.

(B) A certification by a qualified professional engineer that the construction of the facility shall meet the requirement of subdivision (1) of this subsection (k).

(3) On or before October 1, 2024, the owner of the plant shall submit to the Commission and the Department a certification that the main components of the facility used to meet the requirement of subdivision (1) of this subsection (k) have been completed.

(4) If the contract and certification required under subdivision (2) of this subsection are not submitted to the Commission and Department on or before July 1, 2023 or if the certification required under subdivision (3) is not submitted to the Commission and Department on or before October 1, 2024, then the obligation under this section for each Vermont retail electricity provider to purchase a pro rata share of the baseload renewable power portfolio requirement shall cease on November 1, 2024, and the Commission is not required to conduct the rate determination provided for in subsection (d) of this section.

(5) On or before September 1, 2025, the Department shall investigate and submit a recommendation to the Commission on whether the plant has achieved the requirement of subdivision (1) of this subsection. If the Department recommends that the plant has not achieved the requirement of subdivision (1) of this subsection, the obligation under this section shall cease on November 1, 2025, and the Commission is not required to conduct the rate determination provided for in subsection (d) of this section.

(6) After November 1, 2026, the owner of the plant shall report annually to the Department and the Department shall verify the overall efficiency of the plant for the prior 12-month period. If the overall efficiency of the plant falls below the requirement of subdivision (1) of this subsection,



the report shall include a plan to return the plant to the required efficiency within one year.

(7) If, after implementing the plan in subdivision (6) of this subsection, the owner of the plant does not achieve the efficiency required in subdivision (1) of this subsection, the Department shall request that the Commission commence a proceeding to terminate the obligation under this section.

(8) The Department may retain research, scientific, or engineering services to assist it in making the recommendation required under subdivision (5) of this subsection and in reviewing the information required under subdivision (6) of this subsection and may allocate the expense incurred or authorized by it to the plant's owner.

(1) Annual report. Beginning on August 1, 2023, the owner of the plant used to satisfy the baseload renewable power portfolio shall report annually to the House Committee on Energy and Technology and Senate Committee on Finance, the Commissioner of Forests, Parks and Recreation, and the Secretary of Commerce and Community Development on the wood fuel purchases for the plant. The report shall include the average monthly price paid for the wood fuel and the source of the wood fuel, including location, number, types, and sources of non-forest-derived wood.

Sec. 2. 2021 Acts and Resolves No. 39, Sec. 2 is amended to read:

#### Sec. 2. PUBLIC UTILITY COMMISSION ORDER EXTENSION

All decisions and orders of the former Public Service Board and the Public Utility Commission in the matter Investigation into the Establishment of a Standard-Offer Price for Baseload Renewable Power under the Sustainably Priced Energy Enterprise Development (SPEED) Program, Docket No. 7782, shall remain in full force and effect through October 31, ~~2024~~ 2026. For years 2023 ~~and~~, 2024, and 2025 and the period from January 1, 2026 to October 31, 2026, the purchase price shall be the levelized value determined in Docket No. 7782.

#### Sec. 3. REPORT; RYEGATE DECOMMISSIONING FUND

On or before January 15, 2023, the Department of Public Service (Department) shall assess the current value of the Ryegate decommissioning fund and determine if it is sufficient to cover the costs necessary to decommission the plant. The Department shall submit the report to the General Assembly and include any recommendations.

#### Sec. 4. REPORT; WOOD FUEL PRICES

(a) The Commissioner of Forests, Parks and Recreation in consultation with the Secretary of Commerce and Community Development shall conduct

analysis and calculate a minimum fair market price for wood fuel to be used by the plant used to satisfy the baseload renewable power portfolio requirement. The Commissioner may hire a forest economist and interview wood chip fuel producers and examine their costs to determine a range in cost of production that accounts for different equipment types, delivery distance, average wages paid to employees, and return on investment of the enterprises.

(b) The Commissioner of Forests, Parks and Recreation may assess the costs of hiring a consultant for the purposes of the report in subsection (a) of this section on the owners of the baseload renewable power plant, up to \$10,000.00.

(c) On or before July 1, 2024, the Commissioner shall submit the calculation to the House Committee on Energy and Technology, the Senate Committee on Finance, and the Public Utility Commission.

#### Sec. 5. HARVESTING PRACTICES

The Secretary of Natural Resources shall review the Memorandum of Understanding (MOU) that is part of Docket No. 5217 regarding the harvesting policy for Ryegate's wood procurement. On or before July 1, 2023, the Secretary shall provide an update to the House Committee on Energy and Technology and the Senate Committee on Finance on any recommended or completed modifications to the MOU to promote sustainable and healthy forests and forest economy in the region.

#### Sec. 6. EFFECTIVE DATE

This act shall take effect on passage.

**Rep. Masland of Thetford**, for the Committee on Ways and Means, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Energy and Technology.

The bill having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Energy and Technology was agreed to, and third reading ordered.

**Second Reading; Proposal of Amendment Agreed to;  
Third Reading Ordered**

#### S. 269

**Rep. Yantachka of Charlotte**, for the Committee on Energy and Technology, to which had been referred Senate bill, entitled

An act relating to extending the Energy Savings Account Partnership Pilot Program

Reported in favor of its passage in concurrence.

**Rep. Kornheiser of Brattleboro**, for the Committee on Ways and Means, recommended that the House propose to the Senate to amend the bill as follows:

By striking out Sec. 3, effective date, in its entirety and inserting in lieu thereof the following:

\* \* \* Home Weatherization Assistance Program \* \* \*

Sec. 3. 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 shall provide an enhanced weatherization assistance amount exceeding the federal per unit limit allowing amounts up to an average of \$8,500.00 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. 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 ~~by increasing the last year's amount by the percentage increase in the Consumer Price Index for the previous year to~~ account for inflation of materials and labor.

\* \* \*

\* \* \* Reauthorization and Extension of VEGI \* \* \*

Sec. 4. FY 2020–2022; VEGI AWARDS

Any awards for a Vermont Employment Growth Incentive under 32 V.S.A. chapter 105, subchapter 2 granted by the Vermont Economic Progress Council between January 1, 2021 and enactment of this act are authorized by the General Assembly.

Sec. 5. 2016 Acts and Resolves No. 157, Sec. H.12 is 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, ~~2021~~ 2024.

Sec. 6. EFFECTIVE DATES

This act shall take effect on passage except that, notwithstanding 1 V.S.A. § 214, Sec. 4 (VEGI awards) shall take effect retroactively on December 31, 2020.

The bill having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Ways and Means was agreed to, and third reading ordered.

**Recess**

At five o'clock and fourteen minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

At six o'clock and fourteen minutes in the evening, the Speaker called the House to order.

**House Resolution Adopted**

**H.R. 26**

House resolution relating to the remote authority of the House Ethics Panel, the House Sexual Harassment Prevention Panel, and the House Discrimination Prevention Panel

Was taken up and adopted.

**Second Reading; Proposal of Amendment Agreed to;  
Third Reading Ordered**

**S. 90**

**Rep. Small of Winooski**, for the Committee on Human Services, to which had been referred Senate bill, entitled

An act relating to establishing an amyotrophic lateral sclerosis registry

Reported in favor of its passage in concurrence with proposal of amendment by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. chapter 4A is added to read:

CHAPTER 4A. AMYOTROPHIC LATERAL SCLEROSIS REGISTRY

§ 171. DEFINITIONS

As used in this chapter:

(1) “Amyotrophic lateral sclerosis” or “ALS” means a progressive neurodegenerative disease that affects nerve cells in the brain and the spinal cord.

(2) “Health care provider” means a person, partnership, corporation, facility, or institution licensed or certified or authorized by law to provide professional health care service in this State to an individual during that individual’s medical care, treatment, or confinement.

(3) “Registry” means the statewide amyotrophic lateral sclerosis incidence registry.

#### § 172. REGISTRY ESTABLISHED

The Commissioner shall establish, maintain, and operate a statewide amyotrophic lateral sclerosis incidence registry.

#### § 173. DUTY OF HEALTH CARE PROVIDERS

A health care provider that screens for, diagnoses, or provides therapeutic services to patients with amyotrophic lateral sclerosis shall report to the Department all individuals diagnosed as having amyotrophic lateral sclerosis not later than six months for the date of diagnosis. The report shall include information on each individual’s usual occupation and industry of employment and other elements determined by rule to be appropriate.

#### § 174. CONFIDENTIALITY

(a)(1) All identifying information regarding an individual patient or health care provider is exempt from public inspection and copying under the Public Records Act and shall be kept confidential.

(2) Notwithstanding subdivision (1) of this subsection, the Commissioner may enter into data sharing and protection agreements with researchers or state, regional, or national amyotrophic lateral sclerosis registries for bidirectional data exchange, provided access under such agreements is consistent with the privacy, security, and disclosure protections in this chapter. In the case of researchers, the Commissioner shall also first obtain evidence of the approval of their academic committee for the protection of human subjects established in accordance with 45 C.F.R. Part 46. The Commissioner shall disclose the minimum information necessary to accomplish a specified research purpose.

(b) The Department may disclose aggregated and deidentified information from the registry.

§ 175. ANNUAL REPORT

Annually, on or before January 15, the Department shall submit a written report to the Governor, the House Committee on Human Services, and the Senate Committee on Health and Welfare containing the statewide prevalence and incidence estimates of amyotrophic lateral sclerosis, including any trends occurring over time across the State. Reports shall not contain information that directly or indirectly identifies an individual patient or health care provider.

§ 176. RULEMAKING

The Commissioner shall adopt rules pursuant to 3 V.S.A. chapter 25 to implement this chapter, including rules to govern the operation of the registry, data reported to the registry, and data release protocols.

§ 177. LIABILITY

(a) No action for damages arising from the disclosure of confidential or privileged information shall be maintained against any person, or the employer or employee of any person, who participates in good faith in the reporting of amyotrophic lateral sclerosis registry data or data for amyotrophic lateral sclerosis morbidity or mortality studies in accordance with this chapter.

(b) No license of a health care provider shall be denied, suspended, or revoked for the good faith disclosure of confidential or privileged information in the reporting of amyotrophic lateral sclerosis registry data or data for amyotrophic lateral sclerosis morbidity or mortality studies in accordance with this chapter.

(c) Nothing in this section shall be construed to apply to the unauthorized disclosure of confidential or privileged information when such disclosure is due to gross negligence or willful misconduct.

Sec. 2. DEPARTMENT OF HEALTH; EDUCATIONAL MATERIALS

(a) On or before December 31, 2022, the Commissioner of Health shall develop and make available written educational materials that provide information about the National Amyotrophic Lateral Sclerosis Registry, including:

(1) information regarding how to participate in the National Amyotrophic Lateral Sclerosis Registry and resources that can provide assistance with the registration process;

(2) information regarding the eligibility requirements for participation in the National Amyotrophic Lateral Sclerosis Registry; and

(3) contact information for the National Amyotrophic Lateral Sclerosis Registry and local and national research entities investigating the causes of amyotrophic lateral sclerosis.

(b) On or before December 31, 2022, the Department of Health, in cooperation with appropriate professional licensing boards and professional membership associations, shall ensure the educational materials developed pursuant to subsection (a) of this section are made available to all licensed health care providers in Vermont.

### Sec. 3. GRANT APPLICATIONS TO FUND AMYOTROPHIC LATERAL SCLEROSIS REGISTRY

The Department of Health shall seek and apply for grants to fund the amyotrophic lateral sclerosis registry established in 18 V.S.A. chapter 4A. As part of its fiscal year 2024 budget presentation, the Department shall describe any grants applied for or awarded for this purpose or other identified funding sources, such as within existing budgets or from other external funding sources.

### Sec. 4. EFFECTIVE DATES

This act shall take effect on July 1, 2022, except that Sec. 1 (amyotrophic lateral sclerosis registry) shall take effect on July 1, 2023.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Human Services agreed to, and third reading ordered.

### **Action on Bill Postponed**

#### **S. 140**

Senate bill, entitled

An act relating to prohibiting civil arrests at courthouses

Was taken up and, pending the reading of the report of the Committee on Judiciary, on motion of **Rep. Grad of Moretown**, action on the bill was postponed until May 4, 2022.

### **Senate Proposal of Amendment Concurred in**

#### **H. 715**

The Senate proposed to the House to amend House bill, entitled

An act relating to the Clean Heat Standard

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

Sec. 1. FINDINGS

The General Assembly finds:

(1) All of the legislative findings made in 2020 Acts and Resolves No. 153, Sec. 2, the Vermont Global Warming Solutions Act of 2020, remain true and are incorporated by reference here.

(2) Under the Vermont Global Warming Solutions Act of 2020 and 10 V.S.A. § 578, Vermont has a legal obligation to reduce greenhouse gas emissions to specific levels by 2025, 2030, and 2050.

(3) The Vermont Climate Council was established under the Vermont Global Warming Solutions Act of 2020 and was tasked with, among other things, recommending necessary legislation to reduce greenhouse gas emissions. The Initial Vermont Climate Action Plan calls for the General Assembly to adopt legislation authorizing the Public Utility Commission to administer the Clean Heat Standard consistent with the recommendations of the Energy Action Network's Clean Heat Standard Working Group.

(4) As required by the Vermont Global Warming Solutions Act of 2020, the Vermont Climate Council published the Initial Vermont Climate Action Plan on December 1, 2021. As noted in that plan, over one-third of Vermont's greenhouse gas emissions come from the thermal sector. Approximately 72 percent of Vermont's thermal energy use is fossil-based, including 43 percent from the combustion of fossil gas and propane and 29 percent from the burning of heating oil.

(5) To meet the greenhouse gas emission reductions required by the Vermont Global Warming Solutions Act of 2020, Vermont needs to transition away from its current carbon-intensive building heating practices to lower-carbon alternatives. It also needs to do this equitably, recognizing economic effects on energy users, especially energy-burdened users; on the workforce currently providing these services; and on the overall economy.

Sec. 2. 30 V.S.A. chapter 94 is added to read:

CHAPTER 94. CLEAN HEAT STANDARD

§ 8121. CLEAN HEAT STANDARD

(a) The Clean Heat Standard is established. Under this program, obligated parties shall reduce greenhouse gas emissions attributable to the Vermont thermal sector by retiring required amounts of clean heat credits to meet the thermal sector portion of the greenhouse gas emission reduction obligations of



the Global Warming Solutions Act.

(b) By rule or order, the Commission shall establish or adopt a system of tradeable clean heat credits earned from the delivery of clean heat measures that reduce greenhouse gas emissions.

(c) An obligated party may obtain the required amount of clean heat credits through delivery of eligible clean heat measures, through contracts for delivery of eligible clean heat measures, through the market purchase of clean heat credits, or through delivery of eligible clean heat measures by a designated statewide default delivery agent.

(d) The Public Utility Commission shall adopt rules and may issue orders to design and implement the Clean Heat Standard.

#### § 8122. DEFINITIONS

As used in this chapter:

(1) “Clean heat credit” means a tradeable, non-tangible commodity that represents the amount of greenhouse gas reduction caused by a clean heat measure. The Commission shall establish a system of recognition for clean heat credits pursuant to this chapter.

(2) “Clean heat measure” means fuel and technologies delivered and installed to end-use customers in Vermont that reduce greenhouse gas emissions. Clean heat measures shall not include switching from one fossil fuel use to another fossil fuel use. The Commission may adopt a list of acceptable actions that qualify as clean heat measures.

(3) “Commission” means the Public Utility Commission.

(4) “Default delivery agent” means the entity designated by the Commission to provide services that generate tradeable clean heat credits.

(5) “Entity” means any individual, trustee, agency, partnership, association, corporation, company, municipality, political subdivision, or any other form of organization.

(6) “Heating fuel” means fossil-based heating fuel, including oil, propane, natural gas, coal, and kerosene.

(7) “Obligated party” means:

(A) a regulated natural gas utility serving customers in Vermont; or

(B) for other heating fuels, the entity that makes the first sale of the heating fuel into or in the State for consumption within the State.

(8) “Thermal sector” has the same meaning as the “Residential, Commercial and Industrial Fuel Use” sector as used in the Vermont

Greenhouse Gas Emissions Inventory and Forecast.

(9) “Energy burden” means the annual spending on thermal energy as a percentage of household income.

§ 8123. CLEAN HEAT STANDARD COMPLIANCE(a) Required amounts.

(1) The Commission shall establish the number of clean heat credits that each obligated party is required to retire each calendar year. The size of the annual requirement shall be set at a pace sufficient for Vermont’s thermal sector to achieve lifecycle carbon dioxide equivalent (CO2e) emission reductions consistent with the requirements of 10 V.S.A. § 578(a) expressed as lifecycle greenhouse gas emissions pursuant to subsection 8124(d) of this title.

(2) Annual requirements shall be expressed as a percent of each obligated party’s contribution to the thermal sector’s lifecycle CO2e emissions in the previous year with the annual percentages being the same for all parties. To ensure understanding among obligated parties, the Commission shall, in a timely manner, publicly provide a description of the annual requirements in plain terms.

(3) The Commission may adjust the annual requirements for good cause after notice and opportunity for public process. Good cause may include a shortage of clean heat credits or undue adverse financial impacts on particular customers or demographic segments. Any downward adjustment shall be allowed for only a short, temporary period.

(4) To support the ability of the obligated parties to plan for the future, the Commission shall establish annual clean heat credit requirements for 10 years with the required amounts being updated so 10 years’ worth of requirements are always available. Every three years, the Commission shall extend the requirements three years, shall assess emission reductions actually achieved in the thermal sector, and, if necessary, revise the pace of clean heat credit requirements for future years to ensure that the thermal sector portion of the emission reduction requirements of 10 V.S.A. § 578(a) for 2030 and 2050 will be achieved.

(b) Annual registration.

(1) Each entity that sells heating fuel into or in Vermont shall register annually with the Commission by an annual deadline established by the Commission. The form and information required in the registration shall be determined by the Commission and shall include all data necessary to establish annual requirements under this chapter. The Commission shall use the information provided in the registration to determine whether the entity shall

be considered an obligated party and the amount of its annual requirement.

(2) At a minimum, the Commission shall require registration information to include legal name, doing business as name if applicable, municipality, state, type of heating fuel sold, and the volume of sales of heating fuels into or in the State for final sale or consumption in the State in the calendar year immediately preceding the calendar year in which the entity is registering with the Commission.

(3) Each year, and not later than 30 days following the annual registration deadline established by the Commission, the Commission shall share complete registration information of obligated parties with the Agency of Natural Resources and the Department of Public Service for purposes of conducting the Vermont Greenhouse Gas Emissions Inventory and Forecast and meeting the requirements of 10 V.S.A. § 591(b)(3).

(4) The Commission shall maintain, and update annually, a list of registered entities on its website that contains the required registration information, except that the public list shall not include heating fuel volumes reported.

(5) For any entity not registered, the first registration form shall be due 30 days after the first sale of heating fuel to a location in Vermont.

(6) Clean heat requirements shall transfer to entities that acquire an obligated party.

(c) Early action credits. Beginning on January 1, 2022, clean heat measures that are installed and provide emission reductions are creditable and therefore count towards the future clean heat credit requirements of an obligated party. Upon the establishment of the clean heat credit system, entities may register credits for actions taken starting in 2022.

(d) Equitable distribution of clean heat measures.

(1) The Clean Heat Standard shall be designed and implemented to enhance social equity by minimizing adverse impacts to low-income and moderate-income customers and those households with the highest energy burdens. The design shall ensure all customers have an equitable opportunity to participate in, and benefit from, clean heat measures regardless of heating fuel used, income level, geographic location, or homeownership status.

(2) A substantial portion of clean heat credits retired by each obligated party shall be sourced from clean heat measures delivered to low-income and moderate-income customers. The portion of each obligated party's required amount needed to satisfy the annual Clean Heat Standard requirement shall be at least 16 percent from low-income customers and 16 percent from moderate-

income customers. The definitions of low-income customer and moderate-income customer shall be set by the Commission in consultation with the Equity Advisory Group and in alignment with other existing definitions.

(3) The Commission may consider frontloading the credit requirements for low-income and moderate-income customers so that the greatest proportion of clean heat measures reach low-income and moderate-income Vermonters in the earlier years.

(4) In order to best serve low-income and moderate-income customers, the Commission shall have authority to change these portions and the criteria used to define low-income and moderate-income customers for good cause, after notice and opportunity for public process.

(5) In determining whether to exceed the minimum percentages of clean heat measures that must be delivered to low-income and moderate-income customers, the Commission shall take into account participation in other government-sponsored low-income and moderate-income weatherization programs.

(6) A clean heat measure delivered to a customer qualifying for a government-sponsored, low-income energy subsidy shall qualify for clean heat credits required by subdivision (2) of this subsection.

(e) Credit banking. The Commission shall allow an obligated party that has met its annual requirement in a given year to retain clean heat credits in excess of that amount for future sale or application to the obligated party's annual requirements in future compliance periods as determined by the Commission.

(f) Default delivery agent.

(1) An obligated party may meet its annual requirement through a designated default delivery agent appointed by the Commission. The default delivery agent shall deliver creditable clean heat measures to Vermont homes and businesses when:

(A) an obligated party chooses to assign its annual requirement to the default delivery agent; or

(B) an obligated party fails to produce or acquire its required amount of clean heat credits.

(2) The Commission shall designate the default delivery agent. The default delivery agent shall be a single statewide entity capable of providing a variety of clean heat measures and contracted for a multiyear period through a competitive procurement process. The entity selected as the default delivery agent may also be a market participant but shall not be an obligated party.

(3) By rule or order, the Commission shall adopt annually the cost per clean heat credit to be paid to the default delivery agent by an obligated party that chooses this option. In adjusting the default delivery agent credit cost, the Commission shall consider the default delivery agent's anticipated costs to deliver clean heat measures and costs borne by customers, among other factors determined by the Commission. Changes to the cost of credits shall take effect not less than 180 days after adopted.

(4) All funds received from noncompliance payments pursuant to subdivision (g)(2) of this section shall be used by the default delivery agent to provide clean heat measures to low-income customers.

(g) Enforcement.

(1) The Commission shall have the authority to enforce the requirements of this chapter and any rules or orders adopted to implement the provisions of this chapter. The Commission may use its existing authority under this title. As part of an enforcement order, the Commission may order penalties and injunctive relief.

(2) The Commission may order an obligated party that fails to retire the number of clean heat credits required in a given year, including the required amounts from low-income and moderate-income customers, to make a noncompliance payment to the default delivery agent. The per-credit amount of the noncompliance payment shall be three times the amount established by the Commission under subsection (f) of this section for timely per-credit payments to the default delivery agent.

(3) Any statements or other representations made by obligated parties related to compliance with the Clean Heat Standard are subject to the Commission's enforcement authority, including the power to investigate and assess penalties, under this title.

(h) Records. The Commission shall establish requirements for the types of records to be submitted by obligated parties, a record retention schedule for required records, and a process for verification of records and data submitted in compliance with the requirements of this chapter.

(i) Reports.

(1) For purposes of this subsection, "standing committees" means the House Committees on Energy and Technology and on Natural Resources, Fish, and Wildlife and the Senate Committees on Finance and on Natural Resources and Energy.

(2) After the adoption of the rules implementing this chapter, the Commission shall submit a written report to the standing committees detailing

the efforts undertaken to establish the Clean Heat Standard pursuant to this chapter.

(3) On or before August 31 of each year following the year in which the rules are first adopted under this section, the Commission shall submit to the standing committees a written report detailing the implementation and operation of the Clean Heat Standard. This report shall include an assessment on the equitable adoption of clean heat measures required by subsection (d) of this section, along with recommendations to increase participation for the households with the highest energy burdens. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

#### § 8124. TRADEABLE CLEAN HEAT CREDITS

(a) By rule or order, the Commission shall establish or adopt a system of tradeable clean heat credits that may be earned by reducing greenhouse gas emissions through the delivery of clean heat measures. While credit denominations may be in simple terms for public understanding and ease of use, the underlying value shall be based on units of carbon dioxide equivalent (CO<sub>2</sub>e). The system shall provide a process for the recognition, approval, and monitoring of the clean heat credits. The Department of Public Service shall perform the verification of clean heat credit claims and submit results of the verification and evaluation to the Commission annually.

(b) Clean heat credits shall be based on the lifecycle CO<sub>2</sub>e emission reductions that result from the delivery of eligible clean heat measures to end-use customer locations into or in Vermont. For clean heat measures that are installed, the value of the clean heat credits in each year shall be the lifecycle CO<sub>2</sub>e emissions of the heating fuel avoided by the installation of the measure, minus the lifecycle CO<sub>2</sub>e emissions of the energy that is used instead. Eligible clean heat measures delivered to or installed in Vermont shall include:

- (1) thermal energy efficiency improvements and weatherization;
  - (2) the supply of sustainably sourced biofuels;
  - (3) renewable natural gas;
  - (4) green hydrogen;
  - (5) cold-climate heat pumps and efficient electric appliances providing thermal end uses;
  - (6) advanced wood heating; and
  - (7) renewable energy-based district heating services.
- (c) For pipeline renewable natural gas and other renewably generated

natural gas substitutes to be eligible, an obligated party shall purchase renewable natural gas and its associated renewable attributes and demonstrate that it has secured a contractual pathway for the physical delivery of the gas from the point of injection into the pipeline to the obligated party's delivery system.

(d) To promote certainty for obligated parties and clean heat providers, the Commission shall, by rule or order, establish a schedule of lifecycle emission rates for heating fuels and eligible clean heat measures. The schedule shall be based on transparent and accurate emissions accounting adapting the Argonne National Laboratory GREET Model, Intergovernmental Panel on Climate Change (IPCC) modeling, or an alternative of comparable analytical rigor to achieve the thermal sector greenhouse gas emissions reductions necessary in order to meet the sector's share of the requirements of 10 V.S.A. § 578(a), to accurately account for emissions from biogenic and geologic sources, and to deter substantial unintended harmful consequences. The schedule may be amended based upon changes in technology or evidence on emissions, but clean heat credits previously awarded shall not be adjusted retroactively.

(e) Clean heat credits shall be "time stamped" for the year in which the clean heat measure is delivered as well as each subsequent year during which the measure produces emission reductions. Only clean heat credits with the current year time stamp, and credits banked from previous years, shall be eligible to satisfy the current year obligation.

(f) Clean heat credits can be earned only in proportion to the deemed or measured thermal sector greenhouse gas emission reductions achieved by a clean heat measure delivered in Vermont. Other emissions offsets, wherever located, shall not be eligible measures.

(g)(1) All eligible clean heat measures that are delivered in Vermont shall be eligible for clean heat credits and may be retired and count towards an obligated party's emission reduction obligations, regardless of who creates or delivers them and regardless of whether their creation or delivery was required by other State policies and programs. This includes individual initiatives, emission reductions resulting from the State's energy efficiency programs, the low-income weatherization program, and the Renewable Energy Standard Tier 3 program.

(2) The Commission shall determine whether the total value of a clean heat credit for an installed measure shall be claimed in the year it is installed or whether the annual value of that credit shall be applied each year of the measure's life.

(3) The Commission shall determine whether to require a certain

portion of clean heat credits be acquired each year from weatherization projects in order to further the State's building efficiency goals. The Commission shall recommend legislative changes, if needed, to accomplish this.

(h)(1) The Commission shall create a registration system to lower administrative barriers to individuals and businesses seeking to register qualified actions eligible to earn clean heat credits and to facilitate the transfer of credits to obligated parties. The Commission may hire a third-party consultant to evaluate, develop, implement, maintain, and support a database or other means for tracking clean heat credits and compliance with the annual requirements of obligated parties.

(2) The system shall require entities to submit the following information to receive the credit: the location of the clean heat measure, whether the customer or tenant has a low or moderate income, the type of property where the clean heat measure was installed or sold, the type of clean heat measure, and any other information as required by the Commission.

(i) Nothing in this chapter shall limit the authority of the Secretary of Natural Resources to compile and publish the Vermont Greenhouse Gas Emissions Inventory and Forecast in accordance with 10 V.S.A. § 582.

#### § 8125. CLEAN HEAT STANDARD TECHNICAL ADVISORY GROUP

(a) The Commission shall establish the Clean Heat Standard Technical Advisory Group (TAG) to assist the Commission in the ongoing management of the Clean Heat Standard. Its duties shall include:

(1) establishing and revising the lifecycle carbon dioxide equivalent (CO<sub>2</sub>e) emissions accounting methodology to be used to determine each obligated party's annual requirement pursuant to subdivision 8123(a)(2) of this chapter;

(2) establishing and revising the clean heat credit value for different clean heat measures;

(3) periodically assessing and reporting to the Commission on the sustainability of the production of clean heat measures by considering factors including greenhouse gas emissions; carbon sequestration and storage; human health; land use changes; ecological and biodiversity impacts; groundwater and surface water impacts; air, water, and soil pollution; and impacts on food costs;

(4) setting the lifespan length of clean heat measures for the purpose of calculating credit values;

(5) establishing credit values for each year over a clean heat measure's life, including adjustments to account for increasing interactions between clean



heat measures over time so as to not double-count emission reductions;

(6) facilitating the program's coordination with other energy programs;

(7) calculating the impact of the cost of clean heat credits and the cost savings associated with delivered clean heat measures on per-unit heating fuel prices;

(8) coordinating with the Agency of Natural Resources to ensure that greenhouse gas emissions reductions achieved in another sector through the implementation of the Clean Heat Standard are not double-counted in the Vermont Greenhouse Gas Emissions Inventory and Forecast produced by the Agency of Natural Resources;

(9) advising the Commission on the periodic assessment and revision requirement established in subdivision 8123(a)(4) of this chapter; and

(10) any other matters referred to the TAG by the Commission.

(b) Members of the TAG shall be appointed by the Commission and shall include the Department of Public Service, the Agency of Natural Resources, and parties who have, or whose representatives have, expertise in one or more of the following areas: technical and analytical expertise in measuring lifecycle greenhouse gas emissions; energy modeling and data analysis; clean heat measures and energy technologies; sustainability and non-greenhouse gas emissions strategies designed to reduce and avoid impacts to the environment; delivery of heating fuels in cold climates; and climate change mitigation policy and law. The Commission shall accept and review motions to join the TAG from interested parties who have, or whose representatives have, expertise in one or more of the areas listed in this subsection. Members who are not otherwise compensated by their employer shall be entitled to per diem compensation and reimbursement for expenses under 32 V.S.A. § 1010.

(c) The Commission shall hire a third-party consultant responsible for developing clean heat measure characterizations and relevant assumptions, including CO<sub>2</sub>e lifecycle emissions analyses. The TAG shall provide input and feedback on the consultant's work.

(d) Emission analyses and associated assumptions developed by the consultant shall be reviewed and approved annually by the Commission. In reviewing the consultant's work, the Commission shall provide a public comment period on the work. The Commission may approve or adjust the consultant's work as it deems necessary based on its review and the public comments received.

#### § 8126. CLEAN HEAT STANDARD EQUITY ADVISORY GROUP

(a) The Commission shall establish the Clean Heat Standard Equity

Advisory Group to assist the Commission in developing and implementing the Clean Heat Standard in a manner that ensures an equitable share of clean heat measures are delivered to low-income and moderate-income Vermonters, and that low-income and moderate-income Vermonters who are not early participants in clean heat measures are not negatively impacted in their ability to afford heating fuel. Its duties shall include:

(1) providing feedback to the Commission on strategies for engaging low-income and moderate-income Vermonters in the public process around development of the Clean Heat Standard;

(2) supporting the Commission in assessing whether customers are equitably served by clean heat measures and how to increase equity in this area;

(3) identifying actions needed to provide better service to and mitigate the fuel price impacts calculated in section 8125 of this title on low-income and moderate-income customers;

(4) assisting the Commission in defining low-income and moderate-income customers;

(5) recommending any additional programs, incentives, or funding needed to support low-income and moderate-income customers, and organizations that provide social services to Vermonters, in affording heating fuel and other heating expenses;

(6) providing feedback to the Commission on the impact of the Clean Heat Standard on the everyday experience of low-income and moderate-income Vermonters; and

(7) providing information to the Commission on the challenges renters face in being equitably served by clean heat measures and recommendations to ensure that renters have equitable access to clean heat measures.

(b) The Clean Heat Standard Equity Advisory Group shall consist of up to 10 members appointed by the Commission and at a minimum shall include at least one representative from each of the following groups: the Department of Public Service; the Department for Children and Families Office of Economic Opportunity; community action agencies; Efficiency Vermont; individuals with socioeconomically, racially, and geographically diverse backgrounds; renters and rental property owners; and a member of the Vermont Fuel Dealers Association. Members who are not otherwise compensated by their employer shall be entitled to per diem compensation and reimbursement for expenses under 32 V.S.A. § 1010.

§ 8127. SEVERABILITY

If any provision of this chapter or its application to any person or circumstance is held invalid or in violation of the Constitution or laws of the United States or in violation of the Constitution or laws of Vermont, the invalidity or the violation shall not affect other provisions of this chapter that can be given effect without the invalid provision or application, and to this end, the provisions of this chapter are severable.

§ 8128. INTENT

It is the intent of the General Assembly that the Clean Heat Standard be designed and implemented in a manner that achieves Vermont's thermal sector greenhouse gas emissions reductions necessary to meet the requirements of 10 V.S.A. § 578(a), minimizes costs to customers, and recognizes that affordable heating is essential for Vermonters. It shall minimize adverse impacts to low-income and moderate-income customers and those households with the highest energy burdens.

§ 8129. RULEMAKING AUTHORITY

Notwithstanding any other provision of law to the contrary, the Commission shall not file proposed rules with the Secretary of State or issue any orders implementing the Clean Heat Standard without specific authorization enacted by the General Assembly.

Sec. 3. PUBLIC UTILITY COMMISSION IMPLEMENTATION(a) Commencement.

(1) On or before August 31, 2022, the Public Utility Commission shall commence a proceeding to implement Sec. 2 (Clean Heat Standard) of this act.

(2) On or before October 1, 2023, the Commission shall submit to the General Assembly an interim report on the development of the Clean Heat Standard.

(b) Facilitator. On or before October 1, 2022, the Commission shall hire a third-party consultant to design and conduct public engagement. The Commission may use funds appropriated under this act on hiring the consultant.

(c) Public engagement process. Before commencing rulemaking, the Commission shall use the forms of public engagement described in this subsection to inform the design and implementation of the Clean Heat Standard. Any failure by the Commission to meet the specific procedural requirements of this section shall not affect the validity of the Commission's actions.

(1) The Commission shall hold at least six public meetings and of those meetings three shall allow members of the public to participate in person and remotely. The meetings shall be held in at least six different geographically diverse counties of the State. The meetings shall be recorded and publicly posted on the Commission's website.

(2) In order to receive focused feedback from specific constituents, the Commission, with the assistance of the consultant, may also hold at least four meetings using deliberative polling or another method of receiving focused feedback from specific constituents. The facilitator shall assist the Commission in developing a format for soliciting feedback at the meetings. Each of these meetings shall focus on seeking input from a specific group, including heating fuel dealers; low-income, moderate-income, and fixed-income customers and advocates; and customers who use large amounts of heating fuel.

(3) The Commission shall hold at least two workshops to solicit the input of potentially affected parties. To reach as many potentially interested entities as possible, such as Vermont's fuel wholesalers and retail fuel suppliers, renewable energy advocacy organizations, environmental and consumer advocacy organizations, organizations that specialize in serving low- and moderate-income Vermonters, organizations that specialize in serving older Vermonters, entities that provide weatherization services, energy transition providers, regional planning commissions, municipal energy commissions, community action agencies, environmental justice organizations, financial institutions that specialize in implementing low-income financing programs, affordable housing advocates, the Office of Economic Opportunity, and regional development corporations, the Commission shall provide notice of the workshops on its website, shall publish the notice once in a newspaper of general circulation in each county of Vermont, and shall also provide direct notice to any person that requests direct notice or to whom the Commission may consider direct notice appropriate. The Commission also shall provide an opportunity for submission of written comments, which the notice shall include.

(d) Draft proposed rules. The Commission shall publicly publish draft proposed rules and provide notice of it to the stakeholders who registered their names and e-mail addresses with the Commission during the workshops. The Commission shall provide a 30-day comment period on the draft and accept written comments from the public and stakeholders. The Commission shall incorporate necessary changes in response to the public comments before filing the proposed rules with the Secretary of State and the Legislative Committee on Rules.

(e) Advertising. The Commission shall use funding appropriated in this act on advertising the public meetings in order to provide notice to a wide variety of segments of the public.

(f) Final rules.

(1) On or before January 15, 2024, the Commission shall submit to the General Assembly final proposed rules to implement the Clean Heat Standard. The Commission shall not file the final proposed rules with the Secretary of State until specific authorization is enacted by the General Assembly to do so.

(2) Notwithstanding 3 V.S.A. §§ 820, 831, 836–840, and 841(a), upon affirmative authorization enacted by the General Assembly authorizing the adoption of rules implementing the Clean Heat Standard, the Commission shall file, as the final proposed rule, the rules implementing the Clean Heat Standard approved by the General Assembly with the Secretary of State and Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 841. The filing shall include everything that is required under 3 V.S.A. §§ 838(a)(1)–(5), (8)–(13), (15), and (16) and 841(b)(1).

(3) The review, adoption, and effect of the rules implementing the Clean Heat Standard shall be governed by 3 V.S.A. §§ 841(c); 842, exclusive of subdivision (b)(4); 843; 845; and 846, exclusive of subdivision (a)(3).

(4) Once adopted and effective, any amendments to the rules implementing the Clean Heat Standard shall be made in accordance with the Administrative Procedure Act, 3 V.S.A. chapter 25.

(g) Consultant. On or before January 15, 2023, the Commission shall contract with a consultant to assist with implementation of 30 V.S.A. § 8124 (clean heat credits).

(h) Funding. On or before January 15, 2023, the Commission shall report to the General Assembly on suggested revenue streams that may be used or created to fund the Commission's administration of the Clean Heat Standard program.

(i) Check-back reports.

(1) On or before February 15, 2023 and January 15, 2024, the Commission shall submit a written report to and be available to provide oral testimony to the House Committees on Energy and Technology and on Natural Resources, Fish, and Wildlife and the Senate Committees on Finance and on Natural Resources and Energy detailing the efforts undertaken to establish the Clean Heat Standard. The reports shall include, to the extent available, estimates of the impact of the Clean Heat Standard on customers, including impacts to customer rates and fuel bills for participating and nonparticipating

customers, net impacts on total spending on energy for thermal sector end uses, fossil fuel reductions, greenhouse gas emission reductions and, if possible, impacts on economic activity and employment. In conducting this analysis, the Commission shall incorporate the social cost of carbon as established by the Vermont Climate Council, take into account the economic modeling conducted in the Vermont Pathways Analysis Report 2.0, and consider the potential costs of delaying action to achieve the requirements of 10 V.S.A. § 578(a). The modeled impacts shall estimate high-, medium-, and low-price impacts. The reports shall recommend any legislative action needed to address enforcement of the Clean Heat Standard.

(2) Based on the information regarding projected costs and benefits, the Commission shall recommend cost-containment mechanisms to be included in statute.

(3) Upon receiving the recommendations regarding cost-containment mechanisms provided by the Commission, the General Assembly shall determine whether to enact legislation adopting the Commission's recommendations.

#### **Sec. 4. PUBLIC UTILITY COMMISSION AND DEPARTMENT OF PUBLIC SERVICE POSITIONS; APPROPRIATION**

(a) The following new positions are created in the Public Utility Commission for the purpose of carrying out this act:

- (1) one permanent exempt Staff Attorney 3;
- (2) one permanent exempt analyst; and
- (3) one limited-service exempt analyst.

(b) The sum of \$600,000.00 is appropriated to the Public Utility Commission from the General Fund in fiscal year 2023 for the positions established in subsection (a) of this section, for the consultant required by Sec. 3 of this act, and for additional operating costs required to implement the Clean Heat Standard, including marketing and public outreach for Sec. 3 of this act.

(c) The following new positions are created in the Department of Public Service for the purpose of carrying out this act:

- (1) one permanent exempt Staff Attorney; and
- (2) two permanent classified program analysts.

(d) The sum of \$600,000.00 is appropriated to the Department of Public Service from the General Fund in fiscal year 2023 for the positions established in subsection (c) of this section, to retain consultants that may be required to

support verification and evaluation required by 30 V.S.A. § 8124(a), and for associated operating costs related to the implementation of the Clean Heat Standard.

#### Sec. 5. SECTORAL PROPORTIONALITY REPORT

(a)(1) On or before November 15, 2023, the Agency of Natural Resources and the Department of Public Service, in consultation with the Agencies of Agriculture, Food and Markets, of Commerce and Community Development, and of Transportation and the Vermont Climate Council, shall report to the House Committees on Energy and Technology and on Natural Resources, Fish, and Wildlife and to the Senate Committees on Finance and on Natural Resources and Energy regarding:

(A) the role of individual economic sectors in achieving the greenhouse gas emission reduction requirements pursuant to 10 V.S.A. § 578(a);

(B) each economic sector's proportional contribution to greenhouse gas emissions in Vermont as inventoried pursuant to 10 V.S.A. 582; and

(C) the extent to which cost-effective, feasible, and co-beneficial reasonably available greenhouse gas emission reduction measures are available commensurate with each sector's proportional contribution and emissions reduction impact.

(2) The report shall consider the analyses performed in support of the December 1, 2021 Climate Action Plan and the 2022 Comprehensive Energy Plan. The report shall consider additional analyses, as necessary.

(b) The report shall make recommendations to the General Assembly to amend 10 V.S.A. § 578 to include sector-specific greenhouse emissions reduction requirements and, as necessary, subsector-specific greenhouse emission reduction requirements for the purposes of informing and appropriately scaling the implementation of programs and policies that achieve greenhouse gas emission reductions. As used in this section, "sector" means those established in the annual Vermont Greenhouse Gas Emissions Inventory and Forecast produced by the Agency of Natural Resources pursuant to 10 V.S.A. § 582. The recommendations shall be made in consideration of the factors established in 10 V.S.A. § 592(d).

(c) The Agency of Natural Resources and the Department of Public Service, in consultation with the Vermont Climate Council, shall submit an updated report and any corresponding recommendations in accordance with this section on July 1 of a year immediately preceding a year in which an updated Climate Action Plan is adopted pursuant to 10 V.S.A. § 592(a).

## Sec. 6. EFFECTIVE DATE

This act shall take effect on passage.

Proposal of amendment was considered.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Rep. LaClair of Barre Town** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House concur in the Senate proposal of amendment?, was decided in the affirmative. Yeas, 88. Nays, 37.

Those who voted in the affirmative are:

Ancel of Calais	Emmons of Springfield	Noyes of Wolcott
Anthony of Barre City	Gannon of Wilmington	Ode of Burlington
Arrison of Weathersfield	Garofano of Essex	Pajala of Londonderry
Austin of Colchester	Goldman of Rockingham	Partridge of Windham
Bartholomew of Hartland	Grad of Moretown	Patt of Worcester
Birong of Vergennes	Hooper of Montpelier	Pugh of South Burlington
Black of Essex	Hooper of Randolph	Rachelson of Burlington
Bluemle of Burlington	Houghton of Essex	Rogers of Waterville
Bongartz of Manchester	Howard of Rutland City	Satcowitz of Randolph
Bos-Lun of Westminster	James of Manchester	Scheu of Middlebury
Brady of Williston	Jessup of Middlesex	Sheldon of Middlebury
Briglin of Thetford	Killacky of South Burlington	Sibilia of Dover
Brown of Richmond	Kimbell of Woodstock	Sims of Craftsbury
Brumsted of Shelburne	Kornheiser of Brattleboro	Squirrell of Underhill
Burke of Brattleboro	LaLonde of South	Stebbins of Burlington
Burrows of West Windsor	Burlington	Stevens of Waterbury
Campbell of St. Johnsbury	Lanpher of Vergennes	Taylor of Colchester
Chase of Colchester	Lefebvre of Newark	Toleno of Brattleboro
Christie of Hartford	Lippert of Hinesburg	Townsend of South
Coffey of Guilford	Long of Newfane	Burlington
Colston of Winooski	Masland of Thetford	Troiano of Stannard
Conlon of Cornwall	McCarthy of St. Albans City	Vyhovsky of Essex
Copeland Hanzas of	McCormack of Burlington	Walz of Barre City
Bradford	McCullough of Williston	Webb of Shelburne
Corcoran of Bennington	Morris of Springfield	White of Bethel
Cordes of Lincoln	Mrowicki of Putney	White of Hartford
Dolan of Essex	Mulvaney-Stanak of	Whitman of Bennington
Dolan of Waitsfield	Burlington	Wood of Waterbury
Donahue of Northfield	Nicoll of Ludlow	Yacovone of Morristown
Donnally of Hyde Park	Nigro of Bennington	Yantachka of Charlotte
Durfee of Shaftsbury	Notte of Rutland City	

Those who voted in the negative are:

Achey of Middletown	Helm of Fair Haven	Norris of Sheldon
Springs	Higley of Lowell	Norris of Shoreham



Brennan of Colchester	Kascenska of Burke	Parsons of Newbury
Brownell of Pownal	LaClair of Barre Town	Peterson of Clarendon
Canfield of Fair Haven	Laroche of Franklin	Rosenquist of Georgia
Cupoli of Rutland City	Lefebvre of Orange	Scheuermann of Stowe
Dickinson of St. Albans Town	Leffler of Enosburgh	Shaw of Pittsford
Fagan of Rutland City	Marcotte of Coventry	Small of Winooski
Feltus of Lyndon	McCoy of Poultney	Strong of Albany
Goslant of Northfield	McFaun of Barre Town	Surprenant of Barnard
Gregoire of Fairfield	Morgan, M. of Milton	Toof of St. Albans Town
Hango of Berkshire	Morrissey of Bennington	Walker of Swanton
	Murphy of Fairfax	Williams of Granby

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

Beck of St. Johnsbury	Hooper of Burlington	Page of Newport City
Bock of Chester	Jerome of Brandon	Palasik of Milton
Burditt of West Rutland	Kitzmiller of Montpelier	Pearl of Danville
Cina of Burlington	Labor of Morgan	Smith of Derby
Colburn of Burlington	Martel of Waterford	Smith of New Haven
Elder of Starksboro	Mattos of Milton	Sullivan of Dorset
Graham of Williamstown	Morgan, L. of Milton	Terenzini of Rutland Town
Harrison of Chittenden	O'Brien of Tunbridge	Till of Jericho

### Action on Bill Postponed

#### H. 517

House bill, entitled

An act relating to the Vermont National Guard Tuition Benefit Program

Was taken up and pending the question, Shall the House concur in the Senate proposal of amendment?, on motion of **Rep. Stevens of Waterbury**, action on the bill was postponed until May 5, 2022.

### Senate Proposal of Amendment Concurred in

#### H. 553

The Senate proposed to the House to amend House bill, entitled

An act relating to eligibility of domestic partners for reimbursement from the Victims Compensation Program

The Senate proposed to the House to amend the bill as follows:

In Sec. 1, 13 V.S.A. § 5351, subdivision (2), by striking out “prohibited from legally marrying one another by 15 V.S.A. § 1a” and inserting in lieu thereof not be related by blood closer than would bar marriage under State law

Proposal of amendment was considered and concurred in.

**Senate Proposal of Amendment Concurred in**

**H. 661**

The Senate proposed to the House to amend House bill, entitled

An act relating to licensure of mental health professionals

The Senate proposed to the House to amend the bill as follows:

First: In Sec. 8, mental health professional licensure; study, in subdivision (b)(4), following “organizations” by inserting and a representative of Vermont Care Partners

Second: By striking out Sec. 10, effective date, and its reader assistance heading in their entirety and inserting in lieu thereof two new sections with reader assistance headings to be Secs. 10–11 to read as follows:

\* \* \* Position Created \* \* \*

Sec. 10. CREATION OF POSITION WITHIN THE OFFICE OF  
SECRETARY OF STATE; OFFICE OF PROFESSIONAL  
REGULATION

There is created within the Secretary of State’s office one new classified Licensing Board Administrator position in the Office of Professional Regulation.

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

Sec. 11. EFFECTIVE DATES

This act shall take effect on July 1, 2022, except that Secs. 1–7 (continuing education units) shall take effect on July 1, 2023.

Proposal of amendment was considered and concurred in.

**Senate Proposal of Amendment Not Concurred in;  
Committee of Conference Requested and Appointed**

**H. 720**

The Senate proposed to the House to amend House bill, entitled

An act relating to the system of care for individuals with developmental disabilities

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

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

## Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly that:

(1) Individuals who qualify for developmental services and who meet a funding priority as outlined in the State system of care plan for developmental services receive full and complete information in plain language regarding their options and services.

(2) Individuals with developmental disabilities, their family members, allies, and advocates be respected and active participants in systems change activities, including payment reform, development of resources to comply with the federal home- and community-based services regulations, and development of additional residential service options. Information provided to stakeholders shall be in plain language.

## \* \* \* System of Care Plan \* \* \*

Sec. 2. 18 V.S.A. § 8725 is amended to read:

## § 8725. SYSTEM OF CARE PLAN

(a) Every three years, the Department shall adopt a plan for the nature, extent, allocation, and timing of services consistent with the principles of service set forth in section 8724 of this title that will be provided to people with developmental disabilities and their families. ~~Each plan shall include the following categories, which shall be adopted by rule pursuant to 3 V.S.A. chapter 25:~~

~~(1) priorities for continuation of existing programs or development of new programs;~~

~~(2) criteria for receiving services or funding;~~

~~(3) type of services provided; and~~

~~(4) a process for evaluating and assessing the success of programs.~~

\* \* \*

(c) ~~No~~ Not later than 60 days before adopting the proposed plan, the Commissioner shall submit it to the Advisory Board established in section 8733 of this title, for advice and recommendations, ~~except that the Commissioner shall submit those categories within the plan subject to 3 V.S.A. chapter 25 to the Advisory Board at least 30 days prior to filing the proposed plan in accordance with the Vermont Administrative Procedure Act. The Advisory Board shall provide the Commissioner with written comments on the proposed plan. It may also submit public comments pursuant to 3 V.S.A.~~

~~chapter 25.~~

\* \* \*

(f) If the Department requires an extension to complete the system of care plan, it shall submit a written request indicating the anticipated completion date to the House Committee on Human Services and to the Senate Committee on Health and Welfare at least two months prior to the expiration of the existing system of care plan. The request for an extension may be granted upon the approval of both the Chairs of the House Committee on Human Services and the Senate Committee on Health and Welfare.

### Sec. 3. REPORT; CASE MANAGER QUALITY ASSURANCE REVIEW

On or before November 15, 2022, the designated and specialized service agencies and other contracted agencies providing services to individuals with developmental disabilities shall jointly submit a written report to the House Committee on Human Services and to the Senate Committee on Health and Welfare regarding the oversight of residential placements for individuals with developmental disabilities. The report shall, at a minimum:

(1) address the quality of services provided, including health and safety, in accordance with personalized service plans for the individuals served in these settings;

(2) identify the current required level of oversight and on-site visitation by case managers at the designated and specialized service agencies and other contracted agencies providing services to individuals with developmental disabilities and recommend any modifications to these requirements; and

(3) analyze the fiscal and workforce impacts of ensuring at least one annual on-site visit is made by the Department of Disabilities, Aging, and Independent Living to the designated and specialized service agencies and other contracted agencies providing services to individuals with developmental disabilities.

\* \* \* Creation of New Position \* \* \*

### Sec. 4. DEPARTMENT OF DISABILITIES, AGING, AND INDEPENDENT LIVING; RESIDENTIAL PROGRAM DEVELOPER

(a) There is created a limited-service position of the Residential Program Developer within the Department of Disabilities, Aging, and Independent Living for the purposes of:

(1) expanding housing and residential services options for individuals with developmental disabilities, in accordance with federal home- and community-based services regulations;

(2) assisting individuals with developmental disabilities and their families navigate publicly and privately funded housing and residential services options;

(3) investigating public and private funding opportunities for residential program development for individuals with developmental disabilities;

(4) working with individuals with developmental disabilities, their families, and allies to identify potential models for residential services;

(5) developing requests for proposals and identifying at least three pilot planning grants for different regions of the State focused on the needs identified in those regions; and

(6) working with appropriate designated and specialized service agencies or other providers to implement selected pilots.

(b) In fiscal year 2023, \$102,000.00 is allocated to the Department of Disabilities, Aging, and Independent Living from the Global Commitment Federal Medical Assistance Percentage (FMAP) home- and community-based services monies to fund the Residential Program Developer position established in subsection (a) of this section.

\* \* \* Housing and Residential Service Pilot Planning Grants \* \* \*

Sec. 5. DEPARTMENT OF DISABILITIES, AGING, AND INDEPENDENT LIVING;  
DEVELOPMENT OF HOUSING AND RESIDENTIAL SERVICES PILOT PLANNING GRANTS

(a) The Department of Disabilities, Aging, and Independent Living shall work with the Vermont Developmental Disabilities Council and a statewide self-advocacy group to review housing models in other states for the purpose of informing the pilot planning grants developed pursuant to subsection (b) of this section.

(b)(1) In fiscal year 2023, \$500,000.00 is allocated to the Department of Disabilities, Aging, and Independent Living from the Global Commitment Federal Medical Assistance Percentage (FMAP) home- and community-based services monies to develop housing and residential service pilot planning grants in at least three regions of the State, in partnership with designated and specialized service agencies, for individuals with developmental disabilities and their families. The Department shall consult with the Vermont Housing and Conservation Board and other housing providers to prioritize successful housing projects for adults with developmental disabilities. The Department shall issue a request for proposals seeking entities to develop regional pilot planning grants with not more than one grant per designated agency catchment area.

(2) The pilot planning grants shall:

(A) reflect the diversity of needs expressed by individuals with developmental disabilities and their families, including individuals with high support needs who require 24-hour care and those with specific communication needs;

(B) be consistent with the federal home- and community-based services regulations;

(C) include new service-supported housing models; and

(D) include a vision statement, the number of and description of the support needs of individuals with developmental disabilities anticipated to be served, a draft budget, and an implementation plan.

(c)(1) The Department shall convene a steering committee to provide advice and guidance as it develops and selects the pilot planning grants required pursuant to this section.

(2) The steering committee shall be composed of the following members:

(A) three individuals with a developmental disability, appointed by the Green Mountain Self Advocates;

(B) two family members of individuals with a developmental disability, appointed by the Vermont Family Network;

(C) two advocates who are either individuals with a developmental disability or a family member of an individual with a developmental disability, appointed by the State Program Standing Committee and the Advisory Board established pursuant to 18 V.S.A. § 8733; and

(D) two representatives of the designated and specialized service agencies, appointed by Vermont Care Partners.

(3)(A) The steering committee shall have the technical, legal, and administrative assistance of the Department.

(B) The steering committee shall cease to exist on January 1, 2024.

(4) Information provided for the steering committee's consideration shall be in plain language.

(5) Members of the steering committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than eight meetings. These payments shall be made from monies appropriated to the Department.

(d) On or before April 15, 2023, the Department shall submit a report to

the House Committee on Human Services and to the Senate Committee on Health and Welfare describing the pilot planning grant selection process, the implementation plan, and any resources necessary for implementation of selected pilots.

\* \* \* Payment Reform and Conflict-Free Case Management \* \* \*

Sec. 6. PAYMENT REFORM AND CONFLICT-FREE CASE  
MANAGEMENT

(a) At a minimum, the following shall be included in the payment reform process impacting individuals with developmental disabilities, their families, and designated and specialized service agencies:

(1) in addition to any standardized assessment utilized by the Department of Disabilities, Aging, and Independent Living, a process for consideration of additional information relevant to the life circumstances of service recipients or applicants;

(2) in addition to any standardized rates or rate ranges developed by the Department, a process for consideration of budgets to reflect the individualized support needs of service recipients or applicants; and

(3) a process for evaluating the fiscal and service impact on individual service recipients and the designated and specialized service agencies.

(b)(1) Prior to implementing the federally required conflict-free case management system, the Department shall seek and consider input from a variety of stakeholders, including individuals with developmental disabilities, their families, designated and specialized service agencies, and other providers and advocates.

(2) As part of the changes necessary to come into federal compliance, consideration shall be given to performing initial clinical eligibility and service planning within the Department.

(c) On or before February 1, 2023, the Department shall present any proposed policy changes related to payment reform and conflict-free case management to the House Committee on Human Services and the Senate Committee on Health and Welfare and seek and consider input from the Committees.

\* \* \* HCBS Spending Plan Amendment \* \* \*

Sec. 7. HOME- AND COMMUNITY-BASED SERVICE SPENDING PLAN  
AMENDMENT

The Agency of Human Services shall seek to amend its federal Home- and Community-Based Service Spending Plan to enable the Department of

Disabilities, Aging, and Independent Living to use Global Commitment Federal Medical Assistance Percentage (FMAP) home- and community-based services monies to fund the new Residential Program Developer position created in Sec. 4 of this act and the pilot planning grants in Sec. 5 of this act.

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

#### Sec. 8. EFFECTIVE DATES

This section and Sec. 2 (system of care plan) shall take effect on passage, and the remaining sections shall take effect on July 1, 2022.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Rep. Wood of Waterbury** moved that the House refuse to concur and ask for a Committee of Conference, which was agreed to, and the Speaker appointed as members of the Committee of Conference on the part of the House:

**Rep. Wood of Waterbury**  
**Rep. McFaun of Barre Town**  
**Rep. Noyes of Wolcott**

#### **Senate Proposal of Amendment Concurred in With a Further Amendment Thereto**

#### **H. 444**

The Senate proposed to the House to amend House bill, entitled

An act relating to approval of amendments to the charter of the City of Barre

The Senate proposed to the House to amend the bill as follows:

By striking out Sec. 2, 24 App. V.S.A. chapter 1, in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

Sec. 2. 24 App. V.S.A. chapter 1 is amended to read:

#### **CHAPTER 1. CITY OF BARRE**

\* \* \*

#### **§ 104. GENERAL CORPORATE POWERS**

\* \* \*

(d) The City of Barre shall fly only the City, State, United States, and POW/MIA flags.



---

§ 105. ORDINANCES - SUBJECT MATTER

(a) The general grant of ordinance promulgating authority in section 104 shall include the authority:

\* \* \*

~~(7) To adopt and enforce ordinances relating to the mediation of landlord tenant issues by the Housing Board of Review Notwithstanding any contrary provision of 23 V.S.A. § 1007, to adopt and enforce ordinances establishing a speed limit of less than 25 miles per hour on specified City streets, or sections thereof, within City boundaries as may be required for the safety and general welfare of the City.~~

\* \* \*

## § 111. BONDING OF CITY OFFICIALS

The Mayor, councilors, members of the Police Department, City Manager, ~~First Constable~~ Finance Director, Superintendent of Public Works, Tax Collector, and Clerk and Treasurer shall annually be bonded by the City for the faithful discharge of their respective duties, as provided by State statute, and the expense of said bonds to be paid by the City.

\* \* \*

## § 205. OFFICERS ELECTED

(a)(1) The legal voters shall elect biennially a Mayor, ~~a First Constable~~, and one person to serve as Clerk and Treasurer.

\* \* \*

## Subchapter 4. City Officials

\* \* \*

ARTICLE 8. CONSTABLE [Repealed.]

\* \* \*

## § 418. DUTIES

~~The City Constable shall have the same powers and be under the same duties and liabilities as are prescribed by State statutes for constables of towns. [Repealed.]~~

\* \* \*

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Rep. Anthony of Barre City**, for the Committee on Government Operations, moved to concur in the Senate proposal of

amendment with a further amendment thereto by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. CHARTER AMENDMENT APPROVAL

The General Assembly approves the amendments to the charter of the City of Barre as set forth in this act. The voters approved the proposals of amendment on March 2, 2021 and March 1, 2022.

Sec. 2. 24 App. V.S.A. chapter 1 is amended to read:

CHAPTER 1. CITY OF BARRE

\* \* \*

§ 104. GENERAL CORPORATE POWERS

\* \* \*

(b) The City may purchase real property, or interest in real property, within or without its corporate limits, for the public benefit. The City may acquire real property by gift, devise, lease, easement, or condemnation and may sell, lease, mortgage, hold, convey by easement, manage and control such property as its interest may require. Any acquisition or conveyance of property through the means listed in this section shall require approval of the council and shall also be subject to notice as required by 24 V.S.A. § 1061 or any successor provision.

\* \* \*

(d) The City of Barre shall fly only the City, State, United States, and POW/MIA flags.

§ 105. ORDINANCES - SUBJECT MATTER

The general grant of ordinance promulgating authority in section 104 of this charter shall include the authority:

\* \* \*

(g) ~~To adopt and enforce ordinances relating to the mediation of landlord tenant issues by the Housing Board of Review~~ Notwithstanding any contrary provision of general law, to adopt and enforce ordinances establishing a speed limit of less than 25 miles per hour on specified City streets, or sections thereof, within City boundaries as may be required for the safety and general welfare of the City.

\* \* \*

## § 111. BONDING OF CITY OFFICIALS

The Mayor, councilors, members of the Police Department, City Manager, ~~First Constable~~ Finance Director, Superintendent of Public Works, Tax Collector, and Clerk and Treasurer shall annually be bonded by the City for the faithful discharge of their respective duties, as provided by State statute, and the expense of said bonds to be paid by the City.

\* \* \*

## § 205. OFFICERS ELECTED

(a)(1) The legal voters shall elect biennially a Mayor, ~~a First Constable~~, and one person to serve as Clerk and Treasurer.

\* \* \*

§ 307. POWERS OF CITY; POLICY MATTERS; APPOINTMENT OF  
CERTAIN OFFICERS

All powers of the City and the determination of all matters of policy shall be vested in the City Council except as otherwise provided by this charter or by general law. The City Council shall annually appoint a City Attorney, a ~~City Grand Juror~~, a Library Liaison, and may provide for any Planning Board, Zoning Board of Adjustment, Recreation Board, or Personnel Board, and may create commissions or other bodies with advisory powers and may appoint personnel to serve on said boards or commissions.

\* \* \*

## Subchapter 4. City Officials

\* \* \*

## § 407. APPOINTMENTS

\* \* \*

(b) There shall be appointed by the City Manager after the annual City election in the manner as hereinafter provided a Superintendent of Streets, a Superintendent of Waterworks, a Recreation Director, a City Engineer, a Building Inspector, an Inspector of Electric Wiring, ~~an Inspector of Plumbing~~, a Tree Warden, and three members of the Board of Health (see section 512 of this charter, Board of Health). All officers shall hold their offices respectively for one year or until their successors shall be appointed and qualified. The City Manager may also appoint such other subordinate officers as may be elected or appointed in towns. Members of the various boards shall be appointed in the same manner, who shall hold office as otherwise herein provided or until their successor shall be appointed and qualified.

\* \* \*

§ 409. CAPITAL IMPROVEMENT PLAN

(a) Preparation and submission. The Manager, after consultation with department heads, shall submit a proposed five-year capital improvement plan to the council at least three months prior to the annual meeting.

(b) Contents. The capital expenditure plan shall include:

(1) a clear narrative summary of needs;

(2) a list of all capital expenditures to be proposed for the next five years with appropriate supporting data;

(3) actual cost estimates, proposed methods of financing, and necessary time schedules for each improvement; and

(4) estimated annual cost of operating and maintaining the facilities to be constructed or acquired.

(c) Revision and update. The capital expenditure plan shall be revised and extended each year to reflect progress or projects still pending.

\* \* \*

ARTICLE 8. CONSTABLE [Repealed.]

\* \* \*

§ 418. DUTIES

~~The City Constable shall have the same powers and be under the same duties and liabilities as are prescribed by State statutes for constables of towns. [Repealed.]~~

\* \* \*

§ 501. CREATION AND ORGANIZATION

For the purpose of coordinating and integrating the inspection services and allied services of the City, and to provide proper and effective administration of building, electrical, ~~plumbing~~, fire prevention, housing, and zoning laws of the City and State within the City, the City Council shall, by ordinance, create a department to be designated the Department of Buildings and Housing, and prescribe its powers, duties, and functions. Within the Department shall be:

\* \* \*

(2) the Inspector of Electrical Wiring; and

(3) ~~the Plumbing Inspector;~~ [Repealed.]

---

\* \* \*

§ 605. LOCAL SALES, ROOMS, MEALS, AND ALCOHOLIC  
BEVERAGES OPTION TAXES

Local option taxes are authorized under this section for the purpose of affording the City an alternative method of raising municipal revenues. Accordingly:

(1) The City Council may assess sales, rooms, meals, and alcohol taxes of one percent.

\* \* \*

(3) Revenues received through a tax imposed under this section shall be designated solely for street and sidewalk reconstruction, capital equipment, and capital improvement needs under section 406a of this charter.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

Which was agreed to.

**Action on Bill Postponed**

**S. 281**

Senate bill, entitled

An act relating to hunting coyotes with dogs

Was taken up, and on motion of **Rep. Sheldon of Middlebury**, action on the bill was postponed until May 4, 2022.

**Bill Ordered to Lie**

**S. 247**

House bill, entitled

An act relating to prohibiting discrimination based on genetic information

Having appeared on the Notice Calendar was taken up, and pending second reading of the bill, on motion of **Rep. Cordes of Lincoln**, the bill was ordered to lie.

**Action on Bill Postponed**

**H. 739**

House bill, entitled

An act relating to capital construction and State bonding budget adjustment

Was taken up, and pending the question, Shall the House concur in the Senate proposal of amendment?, on motion of **Rep. Emmons of Springfield**, action on the bill was postponed until May 5, 2022.

**Rules Suspended; House Actions Messaged to Senate Forthwith**

**H. 720**

House bill, entitled

An act relating to the system of care for individuals with developmental disabilities

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.

**Bill Ordered Delivered to Governor Forthwith**

**H. 715**

House bill, entitled

An act relating to the Clean Heat Standard

On motion of **Rep. Bartholomew of Hartland**, the bill was ordered delivered to the Governor forthwith.

**Rules Suspended; House Actions Messaged to Senate Forthwith**

**H. 444**

House bill, entitled

An act relating to approval of amendments to the charter of the City of Barre

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

**Message from the Governor**

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

Mr. Speaker:

I am directed by the Governor to inform the House of Representatives that on the 3rd day of May, 2022, he returned without signature and *vetoed* a bill originating in the House of Representatives of the following title:

**H. 708 An act relating to the approval of an amendment to the charter of the City of Burlington**

---

**Governor's Veto Letter**

“May 3, 2022

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 am returning H.708, *An Act Relating to Approval of Amendments to the Charter of the City of Burlington*, without my signature.

Investing in housing has been and continues to be a top priority of my Administration. The lack of housing working Vermonters can afford is a significant challenge that contributes to our crisis of affordability and impairs our ability to keep and attract the families we need to revitalize our communities.

In addition to supporting investments and policies that will address Vermont's housing affordability crisis, we must not add policies that will remove much-needed housing units from the market. By eliminating a property owner's ability to end a lease agreement at the time of the mutually agreed upon end date within a lease, this “just cause eviction” law effectively creates the potential for perpetual tenancy, undermining private property rights and a foundational principle of choosing to rent your property.

Vermont already has some of the most progressive landlord-tenant laws in the country. By making it exceedingly difficult to remove tenants from a rental unit, even at the end of a signed lease, my fear is this bill will discourage property owners from renting to vulnerable prospective tenants, or to rent their units at all. Property owners will be less willing to take the risk of renting to individuals who are perceived to be greater risks, whether that's based on income level, past rental history, experience with homelessness or the criminal justice system, are being resettled from countries in distress or other factors. Instead, more preference will be given to renters with high credit scores, no criminal history, and positive references from previous landlords, creating further disparity for Vermonters. This will increase both costs and inequity in the housing market.

If we want to help tenants find housing, we must build new and revitalized housing more quickly, support exemptions from permitting in designated areas, and stop making it more and more expensive to rent, own, build and live in Vermont.

For these reasons, I am returning this legislation without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution.

Sincerely,  
/s/ Philip B. Scott  
Governor

PBS/kp”

### **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 May, 2022, he signed a bill originating in the House of the following title:

**H. 629 An act relating to access to adoption records**

### **Adjournment**

At seven o'clock and twenty-seven minutes in the evening, on motion of **Rep. McCoy of Poultney**, the House adjourned until tomorrow at one o'clock in the afternoon.