

Journal of the House

Thursday, May 12, 2022

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

Devotional Exercises

Devotional exercises were conducted by Ben Partridge of Windham.

Message from the Senate No. 77

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. 737. An act relating to setting the homestead property tax yields and the nonhomestead property tax rate.

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

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

H. 716. An act relating to making miscellaneous changes in education law.

And has concurred therein.

Senate Proposal of Amendment Concurred in

H. 446

The Senate proposed to the House to amend House bill, entitled

An act relating to miscellaneous natural resources and development subjects

The Senate proposed to the House to amend the bill as follows:

First: By striking out Sec. 4, Environmental Contingency Fund, and its reader assistance heading in their entirety and inserting in lieu thereof a new Sec. 4 and reader assistance to read as follows.

* * * Waste Management Assistance * * *

Sec. 4. [Deleted.]

Second: By striking out Sec. 24, effective date, and its reader assistance heading in their entirety and inserting in lieu thereof six new sections to be Secs. 24–29 and their reader assistance headings to read as follows:

* * * Food Residuals Management * * *

Sec. 24. MORATORIUM ON ISSUANCE OF SOLID WASTE FACILITY
CERTIFICATIONS FOR FOOD DEPACKAGING FACILITIES

Beginning on May 1, 2022, the Secretary of Natural Resources shall not, under 10 V.S.A. chapter 159, issue a new solid waste facility certification for a food depackaging facility or amend an existing solid waste facility certification that results in an increase of capacity at a currently certified food depackaging facility until the rules required under Sec. 27 of this act are adopted and in effect.

Sec. 25. STAKEHOLDER GROUP ON THE ROLE OF DEPACKAGERS IN
MANAGING FOOD WASTE

(a) On or before July 1, 2022, the Secretary of Natural Resources shall convene a collaborative stakeholder process to make recommendations on the proper management of packaged organic materials, including:

(1) recommendations on whether the organics management hierarchy in 10 V.S.A. § 6605k should apply to each generator of organic waste;

(2) whether the Agency of Natural Resources should modify its existing policy surrounding the source separation of organic wastes; and

(3) any recommendations on the proper use of depackagers in the management of organic waste.

(b) The stakeholder process shall include the following participants appointed by the Secretary of Natural Resources:

(1) a representative of the Agency of Agriculture, Food and Markets;

(2) a food waste composter;

(3) a farm that allows animals to forage food waste;

(4) a representative of a company operating a depackaging facility;

(5) a representative from the Vermont Retailers and Grocers Association;

(6) a representative from a company that anaerobically digests food waste; and

(7) a representative from a food product manufacturing company in Vermont.

(c) On or before January 15, 2023, the Secretary of Natural Resources shall submit the recommendations of the stakeholder process required by this section to the Senate Committee on Natural Resources and Energy and the House Committee on Natural Resources, Fish, and Wildlife.

Sec. 26. STUDY ON MICROPLASTICS AND PFAS IN FOOD
PACKAGING AND FOOD WASTE

On or before January 15, 2024, the Secretary of Natural Resources, in consultation with the Secretary of Agriculture, Food and Markets, shall submit to the Senate Committee on Natural Resources and Energy and the House Committee on Natural Resources, Fish, and Wildlife a report regarding the prevalence of microplastics and per- and polyfluoroalkyl substances (PFAS) in food waste and food packaging in Vermont. The report shall include:

(1) a list of the organics management facilities certified in the State under 10 V.S.A. chapter 159;

(2) a summary of the organics management system in Vermont that includes the transportation of food processing residuals and postconsumer food waste and the materials created by organics management facilities and how that material is managed after creation;

(3) a summary of existing data on the levels of microplastics and plastics in the material produced from organics management facilities in the State, including whether the materials have levels of PFAS above background levels;

(4) a summary of the methods used domestically and internationally by jurisdictions with physical contamination standards to evaluate the percentage by weight of physical contamination present in the material produced by depackaging facilities, residual waste, digestate, compost, and soil amendments;

(5) identification of data gaps to the effective management of microplastics and recommendations on how to close those data gaps; and

(6) recommendations on management changes that will reduce the levels of microplastics in the environment, including:

(A) special management requirements at facilities;

(B) bans of certain containers or packaging that pose greater management risks;

(C) restrictions on the location of managing materials that contain

high levels of microplastics;

(D) implementation of the food residuals hierarchy set forth in 10 V.S.A. § 6605k or the current requirements around source separation of organic material from waste material; and

(E) if possible in light of the data, a recommendation for a standard methodology for testing microplastics and a health-based standard for microplastics.

Sec. 27. RULEMAKING

(a) The Secretary of Natural Resources shall adopt by rule requirements for the operation of food waste management facilities certified to operate in the State. The rules may:

(1) establish management standards for the operation of a food waste management facility;

(2) prohibit certain containers and packaging from being managed in a food waste management facility;

(3) establish standards for hand source separation instead of mechanical depackaging;

(4) establish requirements for implementation of the food residuals hierarchy set forth in 10 V.S.A. § 6605k;

(5) place restrictions on the types of food waste that may be managed at a food waste management facility;

(6) adopt a testing methodology for microplastics;

(7) adopt a standard for microplastics from food waste management facilities that protects human health or natural resources; or

(8) at the recommendation of the Secretary of Agriculture, Food and Markets, adopt a standard for microplastics or per- and polyfluoroalkyl substances from food waste management facilities that protects animal health, agricultural soils, or other agricultural resources.

(b) The Secretary of Natural Resources shall not initiate rulemaking under this section until the recommendations required by Secs. 25 and 26 of this act are submitted to the Vermont General Assembly.

Sec. 28. REPEAL

Sec. 24 (moratorium on food depackaging facilities) of this act shall be repealed on the date that the rules required under Sec. 27 of this act are adopted and in effect.

* * * Effective Dates * * *

Sec. 29. EFFECTIVE DATES

(a) This section and Secs. 24–28 (food residuals management) shall take effect on passage.

(b) The remainder of the act shall take effect on July 1, 2022.

Proposal of amendment was considered and concurred in.

**Senate Proposal of Amendment Concurred in
With a Further Amendment Thereto**

H. 626

The Senate proposed to the House to amend House bill, entitled

An act relating to the sale, use, or application of neonicotinoid pesticides

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

Sec. 1. 6 V.S.A. § 1101 is amended to read:

§ 1101. DEFINITIONS

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

(1) “Secretary” shall have the meaning stated in subdivision 911(4) of this title.

(2) “Cumulative” when used in reference to a substance means that the substance so designated has been demonstrated to increase twofold or more in concentration if ingested or absorbed by successive life forms.

(3) “Dealer or pesticide dealer” means any person who regularly sells pesticides in the course of business, but not including a casual sale.

(4) “Economic poison” shall have the meaning stated in subdivision 911(5) of this title.

(5) “Pest” means any insect, rodent, nematode, fungus, weed, or any other form of terrestrial or aquatic plant or animal life or virus, bacteria, or other microorganisms, which the Secretary declares as being injurious to health or environment. Pest shall not mean any viruses, bacteria, or other microorganisms on or in living humans or other living animals.

(6) “Pesticide” for the purposes of this chapter shall be used interchangeably with “economic poison.”

(7) “Treated article” means a pesticide or class of pesticides exempt under 40 C.F.R. § 152.25(a) from regulation under the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136-136y.

(8) “Neonicotinoid pesticide” means any economic poison containing a chemical belonging to the neonicotinoid class of chemicals.

(9) “Neonicotinoid treated article seeds” are treated article seeds that are treated or coated with a neonicotinoid pesticide.

Sec. 2. 6 V.S.A. § 1105a is amended to read:

§ 1105a. TREATED ARTICLES; POWERS OF SECRETARY; BEST
MANAGEMENT PRACTICES

(a) The Secretary of Agriculture, Food and Markets, upon the recommendation of the Agricultural Innovation Board, may adopt by rule:

(1) best management practices (BMPs), standards, procedures, and requirements relating to the sale, use, storage, or disposal of treated articles the use of which the Agricultural Innovation Board has determined will have a hazardous or long-term deleterious effect on the environment, presents a likely risk to human health, or is dangerous;

(2) requirements for the response to or corrective actions for exigent circumstances or contamination from a treated article that presents a threat to human health or the environment;

(3) requirements for the examination or inspection of treated articles the use of which the Agricultural Innovation Board has determined will have a hazardous or long-term deleterious effect on the environment, presents a likely risk to human health, or is dangerous;

(4) requirements for persons selling treated articles to keep or make available to the Secretary records of sale of treated articles, and what treatments were received, the use of which the Agricultural Innovation Board has determined will have a hazardous or long-term deleterious effect on the environment, presents a likely risk to human health, or is dangerous; or

(5) requirements for reporting of incidents resulting from accidental contamination from or misuse of treated articles the use of which the Agricultural Innovation Board has determined will have a hazardous or long-term deleterious effect on the environment, presents a likely risk to human health, or is dangerous.

(b) At least 30 days prior to prefiling a rule authorized under subsection (a) or subsection (c) of this section with the Interagency Committee on Administrative Rules under 3 V.S.A. § 837, the Secretary shall submit a copy

of the draft rule to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry for review.

(c)(1) Under subsection (a) of this section, the Secretary of Agriculture, Food and Markets, after consultation with the Agricultural Innovation Board, shall adopt by rule BMPs for the use in the State of neonicotinoid treated article seeds. In developing the rules with the Agricultural Innovation Board, the Secretary shall address:

(A) establishment of threshold levels of pest pressure required prior to use of neonicotinoid treated article seeds;

(B) availability of nontreated article seeds that are not neonicotinoid treated article seeds;

(C) economic impact from crop loss as compared to crop yield when neonicotinoid treated article seeds are used;

(D) relative toxicities of different neonicotinoid treated article seeds and the effects of neonicotinoid treated article seeds on human health and the environment;

(E) surveillance and monitoring techniques for in-field pest pressure;

(F) ways to reduce pest harborage from conservation tillage practices; and

(G) criteria for a system of approval of neonicotinoid treated article seeds.

(2) In implementing the rules required under this subsection, the Secretary of Agriculture, Food and Markets shall work with farmers, seed companies, and other relevant parties to ensure that farmers have access to appropriate varieties and amounts of untreated seed or treated seed that are not neonicotinoid treated article seeds.

Sec. 3. 6 V.S.A. § 3036 is added to read:

§ 3036. MONITORING OF POLLINATOR HEALTH

The Secretary of Agriculture, Food and Markets shall monitor managed pollinator health to establish pollinator health benchmarks for Vermont, including:

(1) presence of pesticides in hives;

(2) mite pressure;

(3) disease pressure;

(4) mite control methods;

(5) genetic influence on survival;

(6) winter survival rate; and

(7) forage availability.

Sec. 4. IMPLEMENTATION; REPORT; RULEMAKING

(a) On or before March 1, 2024, the Secretary of Agriculture, Food, and Markets shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry a copy of the proposed rules required to be adopted under 6 V.S.A. § 1105a.

(b) The Secretary of Agriculture shall not file the final proposal of the rules required by 6 V.S.A. § 1105a under 3 V.S.A. § 841 until at least 90 days from submission of the proposed rules to the General Assembly under subsection (a) of this section or July 1, 2024, which ever shall occur first.

Sec. 5. REVIEW AND REPORT ON BMPS FOR TREATED ARTICLE SEEDS

On or before February 15, 2023, the Agricultural Innovation Board shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry a written report regarding whether best management practices (BMPs) should be adopted for the use of treated article seeds that are not neonicotinoid treated article seeds. The report shall include:

(1) a summary of the Agricultural Innovation Board's review of treated article seeds that are not neonicotinoid treated article seeds, including identification of treated article seeds that may have adverse effects on human health or the environment;

(2) a recommendation of whether BMPs for treated article seeds that are not neonicotinoid treated article seeds should be adopted and whether they should be adopted by rule; and

(3) proposed BMPs for treated article seeds that are not neonicotinoid treated article seeds.

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2022.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Reps. Surprenant of Barnard and Partridge of Windham** moved to concur in the Senate proposal of amendment with a further amendment thereto as follows:

By adding a Sec. 5a to read as follows:

Sec. 5a. AGENCY OF AGRICULTURE, FOOD AND MARKETS;

RESIDUALS MANAGEMENT POSITIONS

Two new permanent classified positions at the Agency of Agriculture, Food and Markets are authorized in fiscal year 2023 for the purpose of staffing the Agency's Residuals Management Program, supporting the Agricultural Innovation Board, and enforcing and reviewing the use of treated article pesticides in the State. In fiscal year 2023, \$181,190.00 is appropriated to the Agency of Agriculture, Food and Markets for the purpose of hiring the two new positions in the Agency's Residuals Management Program. The two positions shall be funded from the revenue raised from the registration of soil amendments under 6 V.S.A. chapter 28 and the registration of dosage form animal health products and feed supplements under 6 V.S.A. chapter 26.

Which was agreed to.

Senate Proposal of Amendment Concurred in**H. 709**

The Senate proposed to the House to amend House bill, entitled

An act relating to miscellaneous agricultural subjects

The Senate proposed to the House to amend the bill as follows:

By striking out Sec. 12, effective date, in its entirety and inserting in lieu thereof a new Sec. 12 to read as follows:

Sec. 12. EFFECTIVE DATE

This act shall take effect on July 1, 2022.

Proposal of amendment was considered and concurred in.

Rules Suspended; Immediate Consideration; Senate Proposal of Amendment Concurred in**H. 730**

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

An act relating to alcoholic beverages and the Department of Liquor and Lottery

Was taken up for immediate consideration.

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

* * * Ready-to-Drink Spirits Beverages; Ciders * * *

Sec. 1. 7 V.S.A. § 2 is amended to read:

§ 2. DEFINITIONS

As used in this title:

* * *

(2) “Alcoholic beverages” means malt beverages, vinous beverages, spirits, ready-to-drink spirits beverages, and fortified wines.

* * *

(6) “Certificate of approval” means a license granted by the Board of Liquor and Lottery to a manufacturer or distributor of malt beverages ~~or~~, vinous beverages, or ~~both~~, ready-to-drink spirits beverages that is not licensed under the provisions of this title, that permits the licensee to sell those beverages to holders of a packager’s or wholesale dealer’s license.

* * *

(15) “Festival permit” means a permit granted by the Division of Liquor Control permitting a person to conduct an event at which ~~malt or vinous alcoholic beverages, or both~~, are sold by the glass to the public, provided the event is approved by the local control commissioners.

(16) “First-class license” means a license permitting the licensee to sell malt ~~and beverages~~, vinous beverages, and ready-to-drink spirits beverages to the public for consumption only on the premises for which the license is granted.

* * *

(19) “Fourth-class license” means a license permitting a licensed manufacturer or rectifier to sell by the unopened container and distribute by ~~the glass~~ sample, with or without charge, beverages manufactured by the licensee.

* * *

(25) “Malt beverages” means all fermented beverages of any name or description manufactured for sale from malt, wholly or in part, or from any substitute therefor, known as, among other things, beer, ale, or lager, containing not less than one percent nor more than 16 percent alcohol by volume at 60 degrees Fahrenheit.

(26) “Manufacturer’s or rectifier’s license” means a license granted by the Board of Liquor and Lottery that permits the holder to manufacture or

rectify malt beverages, vinous beverages, and fortified wines, or spirits ~~and~~,
fortified wines, and ready-to-drink spirits beverages.

* * *

(31) “Ready-to-drink spirits beverage” means an alcoholic beverage containing more than one percent alcohol by volume and not more than 12 percent alcohol by volume at 60 degrees Fahrenheit obtained by distillation, by chemical synthesis, or through concentration by freezing and mixed with nonalcoholic beverages, flavoring, or coloring materials. Ready-to-drink spirits beverages may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, preservatives, and other ingredients. “Ready-to-drink spirits beverage” shall not include a beverage that is packaged in containers greater than 24 fluid ounces in volume.

(32) “Request-to-cater permit” means a permit granted by the Division of Liquor Control authorizing a licensed caterer or commercial caterer to cater individual events.

(32)(33) “Retail dealer” means any person who sells or furnishes malt ~~or~~ beverages, vinous beverages, or ready-to-drink spirits beverages to the public.

(33)(34) “Retail delivery permit” means a permit granted by the Division of Liquor Control that permits a second-class licensee to deliver malt beverages and vinous beverages sold from the licensed premises for consumption off the premises to an individual who is 21 years of age or older at a physical address in Vermont.

(34)(35) “Sampler flight” means a flight, ski, paddle, or any similar device by design or name intended to hold alcoholic beverage samples for the purpose of comparison.

(35)(36) “Second-class license” means a license permitting the licensee to export and to sell malt beverages ~~and~~, vinous beverages, or ready-to-drink spirits beverages to the public for consumption off the premises for which the license is granted.

(36)(37) “Special event permit” means a permit granted by the Division of Liquor Control permitting a licensed manufacturer or rectifier to sell, by the glass or by the unopened bottle, alcoholic beverages manufactured or rectified by the license holder at an event open to the public that has been approved by the local control commissioners.

(37)(38) “Special venue serving permit” means a permit granted by the Division of Liquor Control permitting an art gallery, bookstore, public library, or museum to conduct an event at which malt or vinous beverages, or both, are

served by the glass to the public. As used in this section, “art gallery” means a fixed establishment whose primary purpose is to exhibit or offer for sale works of art; “bookstore” means a fixed establishment whose primary purpose is to offer books for sale; “public library” has the same meaning as in 22 V.S.A. § 101; and “museum” has the same meaning as in 27 V.S.A. § 1151.

~~(38)~~(39) “Specialty beer” means a malt beverage that contains more than eight percent alcohol and not more than 16 percent alcohol by volume at 60 degrees Fahrenheit.

~~(39)~~(40) “Spirits” means beverages that contain more than one percent alcohol obtained by distillation, by chemical synthesis, or through concentration by freezing; vinous beverages containing more than 23 percent alcohol; and malt beverages containing more than 16 percent alcohol by volume at 60 degrees Fahrenheit. “Spirits” also means a ready-to-drink spirits beverage that contains more than 12 percent alcohol by volume at 60 degrees Fahrenheit or is packaged in containers greater than 24 fluid ounces in volume.

~~(40)~~(41) “Third-class license” means a license granted by the Board of Liquor and Lottery permitting the licensee to sell spirits and fortified wines for consumption only on the premises for which the license is granted.

~~(41)~~(42) “Vinous beverages” means all fermented beverages of any name or description manufactured or obtained for sale from the natural sugar content of fruits or other agricultural product, containing sugar, the total alcoholic content of which is not less than one percent nor more than 16 percent by volume at 60 degrees Fahrenheit.

~~(42)~~(43) “Wholesale dealer’s license” means a license granted by the Board of Liquor and Lottery permitting the holder to sell or distribute malt and beverages, vinous beverages, and ready-to-drink spirits beverages to first- and second-class licensees, to educational sampling event permit holders, and to agencies of the United States.

(44) “Cider” means a vinous beverage, made a majority from the fermented natural sugar content of apples or pears, that contains an alcoholic content of not less than one percent or more than 16 percent by volume at 60 degrees Fahrenheit. “Cider” includes sweetened, flavored, and carbonated cider.

Sec. 2. 7 V.S.A. § 62 is amended to read:

§ 62. HOURS OF SALE

(a) First- or first- and third-class licensees, or festival, special event, or educational sampling event permit holders may sell alcoholic beverages between the hours of 8:00 a.m. and 2:00 a.m. the next morning.

(b)(1) Second-class licensees may sell malt ~~and beverages,~~ vinous beverages and ready-to-drink spirits beverages between the hours of 6:00 a.m. and 12:00 midnight.

* * *

Sec. 3. 7 V.S.A. § 63 is amended to read:

§ 63. IMPORTATION OR TRANSPORTATION OF ALCOHOL;
PROHIBITIONS; PERSONAL IMPORT LIMIT; PENALTY

(a)(1) All spirits and fortified wines imported or transported into this State shall be imported or transported by and through the Board of Liquor and Lottery. A person importing or transporting or causing to be imported or transported into this State any spirits or fortified wines, or both, in violation of this section shall be imprisoned not more than one year or fined not more than \$5,000.00, or both.

(2) Notwithstanding subdivision (1) of this subsection, a person may import or transport not more than eight quarts of spirits or fortified wines, or both, into this State in ~~his or her~~ the person's own private vehicle or in his or her actual possession at the time of importation without a license or permit, provided the beverages are not for resale.

(b)(1) Except as provided in sections 277, 278, and 283 of this title, all malt ~~or beverages,~~ vinous beverages, or ready-to-drink spirits beverages, or ~~both~~ a combination of malt beverages, vinous beverages, and ready-to-drink spirits beverages, imported or transported into this State shall be imported or transported by and through the holder of a wholesale dealer's license issued by the Board of Liquor and Lottery. A person importing or transporting or causing to be imported or transported into this State any malt ~~or beverages,~~ vinous beverages, ~~or both~~ or ready-to-drink spirits beverages, in violation of this section shall be imprisoned not more than one year or fined not more than \$1,000.00, or both.

(2) Notwithstanding subdivision (1) of this subsection, a person may import or transport not more than six gallons of malt ~~or beverages,~~ vinous beverages, or ready-to-drink spirits beverages, or ~~both~~ a combination of malt beverages, vinous beverages, and ready-to-drink spirits beverages, into this State in ~~his or her~~ the person's own private vehicle or in ~~his or her~~ the person's actual possession at the time of importation without a license or permit, provided the beverages are not for resale.

Sec. 4. 7 V.S.A. § 104 is amended to read:

§ 104. DUTIES; AUTHORITY TO RESOLVE ALLEGED VIOLATIONS

The Board shall supervise and manage the sale of spirits and fortified wines

within the State in accordance with the provisions of this title, and through the Commissioner of Liquor and Lottery shall:

* * *

(11) Adopt rules regarding intrastate transportation of malt ~~and beverages~~, vinous beverages, and ready-to-drink spirits beverages.

* * *

Sec. 5. 7 V.S.A. § 161 is amended to read:

§ 161. LICENSES VOTED BY TOWN; TOWN MEETINGS; WARNING

(a) Upon petition of not less than five percent of the legal voters of any town, filed with the town clerk in conformance with 17 V.S.A. § 2642, the warning of the annual or special meeting shall contain an article providing for a vote upon the following questions:

Shall licenses for the sale of malt ~~and beverages~~, vinous beverages, and ready-to-drink spirits beverages be granted in this town?

Shall spirits and fortified wines be sold in this town?

The vote under the article shall be by ballot in the following form:

Shall licenses for the sale of malt ~~and beverages~~, vinous beverages, and ready-to-drink spirits beverages be granted in this town?

Yes ___ No ___

Shall spirits and fortified wines be sold in this town?

Yes ___ No ___

(b) Licenses and permits for the sale of malt ~~and beverages~~, vinous beverages, ready-to-drink spirits beverages, and spirits and fortified wines shall be issued according to the vote at the annual town meeting held in March 1969 until a town votes otherwise.

Sec. 6. 7 V.S.A. § 201 is amended to read:

§ 201. LICENSES CONTINGENT ON TOWN VOTE

Licenses of the first or second class shall not be granted by the control commissioners or the Board of Liquor and Lottery to be exercised in any city or town, the voters of which vote "No" on the question of whether to permit the sale of malt beverages ~~and~~, vinous beverages, and ready-to-drink spirits beverages pursuant to section 161 of this title. Licenses of the third class shall not be granted by the Board of Liquor and Lottery to be exercised in any city or town, the voters of which vote "No" on the question of whether to sell fortified wines and spirits pursuant to section 161 of this title.

Sec. 7. 7 V.S.A. § 204 is amended to read:

§ 204. APPLICATION AND RENEWAL FEES FOR LICENSES AND PERMITS; DISPOSITION OF FEES

(a) The following fees shall be paid when applying for a new license or permit or to renew a license or permit:

(1) For a manufacturer's or rectifier's license to manufacture or rectify malt beverages, or vinous beverages and fortified wines, or spirits ~~and~~ fortified wines, and ready-to-drink spirits beverages, \$285.00 for each license.

* * *

(7) For a shipping license for malt beverages ~~or~~ vinous beverages, or ready-to-drink spirits beverages:

- (A) in-state consumer shipping license, \$330.00~~;~~;
- (B) out-of-state consumer shipping license, \$330.00~~;~~;
- (C) vinous beverages retail shipping license, \$250.00.

* * *

(16) For a certificate of approval:

- (A) for malt beverages, \$2,485.00;
- (B) for vinous beverages, \$985.00~~;~~;
- (C) for ready-to-drink spirits beverages, \$985.00.

* * *

Sec. 8. 7 V.S.A. § 221 is amended to read:

§ 221. FIRST-CLASS LICENSES

* * *

(b)(1) A first-class license permits the holder to sell malt ~~and~~ beverages, vinous beverages, and ready-to-drink spirits beverages for consumption only on those premises.

(2) Except as otherwise provided pursuant to sections 271 and 278 of this title, a first-class license holder shall purchase all malt beverages ~~and~~ vinous beverages, and ready-to-drink spirits beverages sold pursuant to the license from Vermont wholesale dealers or packagers.

(c) A retail dealer carrying on business in more than one place shall acquire a first-class license for each place where the retail dealer sells malt ~~or~~ beverages, vinous beverages, or ready-to-drink spirits beverages for

consumption on the premises.

* * *

Sec. 9. 7 V.S.A. § 222 is amended to read:

§ 222. SECOND-CLASS LICENSES

(a)(1) With the approval of the Board of Liquor and Lottery, the control commissioners may grant a second-class license to a retail dealer for the premises where the dealer carries on business if the retail dealer submits an application and pays the fee provided in section 204 of this title and satisfies the Board that the premises:

* * *

(b)(1) A second-class license permits the holder to export malt and beverages, vinous beverages, and ready-to-drink spirits beverages and to sell malt and beverages, vinous beverages, and ready-to-drink spirits beverages to the public from the licensed premises for consumption off the premises.

* * *

(3) Except as otherwise provided pursuant to sections 225, 271, and 278 of this title, a second-class license holder shall purchase all malt beverages and, vinous beverages, and ready-to-drink spirits beverages sold pursuant to its license from Vermont wholesale dealers or packagers.

(c) A retail dealer carrying on business in more than one place shall be required to acquire a second-class license for each place where the retail dealer sells malt and beverages, vinous beverages, and ready-to-drink spirits beverages.

* * *

Sec. 10. 7 V.S.A. § 224 is amended to read:

§ 224. FOURTH-CLASS LICENSES

* * *

(b) At each licensed location, a fourth-class licensee may sell by the unopened container or distribute by the glass, with or without charge, alcoholic beverages manufactured by the licensee.

(1) A licensee may, for consumption at the licensed premises or location, distribute the following amounts of alcoholic beverages to a retail customer:

(A) ~~no~~ not more than two ounces of malt beverages ~~or~~, vinous beverages, or ready-to-drink spirits beverages with a total of eight ounces; and

* * *

Sec. 11. 7 V.S.A. § 226 is amended to read:

§ 226. RETAIL DELIVERY PERMITS

* * *

(b) A retail delivery permit holder may deliver malt beverages ~~and~~, vinous beverages, and ready-to-drink spirits beverages sold from the licensed premises for consumption off the premises to an individual who is 21 years of age or older subject to the following requirements:

* * *

(4) An employee of a retail delivery permit holder shall not be permitted to make deliveries of malt beverages ~~or~~, vinous beverages, or ready-to-drink spirits beverages pursuant to the permit unless ~~he or she~~ the employee has completed a training program approved by the Division pursuant to section 213 of this chapter.

(5) Malt beverages ~~and~~, vinous beverages, and ready-to-drink spirits beverages delivered pursuant to a retail delivery permit shall be for personal use and not for resale.

Sec. 12. 7 V.S.A. § 228 is amended to read:

§ 228. SAMPLER FLIGHTS

(a) The holder of a first-class license may serve a sampler flight of up to 32 ounces in the aggregate of malt beverages or ciders to a single customer at one time.

(b) The holder of a first-class license may serve a sampler flight of up to 12 ounces in the aggregate of vinous beverages or ready-to-drink spirits beverages to a single customer at one time.

* * *

Sec. 13. 7 V.S.A. § 251 is amended to read:

§ 251. EDUCATIONAL SAMPLING EVENT PERMIT

* * *

(b) An educational sampling event permit holder is permitted to conduct an event that is open to the public at which malt beverages, vinous beverages, ready-to-drink spirits beverages, fortified wines, spirits, or all ~~four~~ five are served only for the purposes of marketing and educational sampling.

* * *

(d) The permit holder shall ensure all the following:

(1) Attendees at the educational sampling event shall be required to pay an entry fee of ~~no~~ not less than \$5.00.

(2)(A) Malt beverages ~~or~~, vinous beverages, or ready-to-drink spirits beverages for sampling shall be offered in glasses that contain ~~no~~ not more than two ounces of either beverage.

* * *

(f) Taxes for the alcoholic beverages served at the event shall be paid as follows:

* * *

(3) spirits: \$19.80 per gallon served; ~~and~~

(4) fortified wines: \$19.80 per gallon served; and

(5) ready-to-drink spirits beverages: \$1.10 per gallon served.

Sec. 14. 7 V.S.A. § 252 is amended to read:

§ 252. SPECIAL EVENT PERMITS

* * *

(b)(1) A special event permit holder may sell alcoholic beverages manufactured or rectified by the permit holder by the glass within the event boundaries or the unopened bottle.

(2) For purposes of tasting, a special event permit holder may distribute beverages manufactured or rectified by the permit holder with or without charge, provided the beverages are distributed:

(A) by the glass; and

(B) in quantities of ~~no~~ not more than two ounces per product and eight ounces total of malt beverages ~~or~~, vinous beverages, or ready-to-drink spirits beverages and ~~no~~ not more than one ounce in total of spirits or fortified wines to each individual.

* * *

Sec. 15. 7 V.S.A. § 253 is amended to read:

§ 253. FESTIVAL PERMITS

* * *

(b) A festival required to be permitted under this section is any event that is open to the public for which the primary purpose is to serve one or more of the

following: malt beverages, vinous beverages, ready-to-drink spirits beverages, fortified wines, or spirits.

(c) A festival permit holder is permitted to conduct an event that is open to the public at which one or more of the following are served: malt beverages, vinous beverages, ready-to-drink spirits beverages, fortified wines, or spirits.

(d) The permit holder shall ensure the following:

* * *

(2)(A) Malt beverages and ciders for sampling shall be offered in glasses that contain not more than 12 ounces; with not more than 60 ounces served to any patron at one event.

(B) Vinous beverages or ready-to-drink spirits beverages for sampling shall be offered in glasses that contain not more than five ounces with not more than 25 ounces served to any patron at one event.

* * *

(E) Patrons attending a festival where combinations of malt beverages, vinous beverages, ready-to-drink spirits beverages, fortified wines, or spirits are mutually sampled shall not be served more than a combined total of six U.S. standard drinks containing 3.6 fluid ounces or 84 grams of pure ethyl alcohol.

* * *

(e)(1) A festival permit holder may purchase invoiced volumes of malt ~~or~~ beverages, vinous beverages, or ready-to-drink spirits beverages directly from a manufacturer or packager licensed in Vermont or a manufacturer or packager that holds a federal Basic Permit or Brewers Notice or evidence of licensure in a foreign country that is satisfactory to the Board.

(2) The invoiced volumes of malt ~~or~~ beverages, vinous beverages, or ready-to-drink spirits beverages may be transported to the site and sold by the glass to the public by the permit holder or its employees and volunteers only during the event.

(f) A festival permit holder shall be subject to the provisions of this title, including section 214 of this title, and the rules of the Board regarding the sale of the alcoholic beverages and shall pay the tax on the malt ~~or~~ beverages, vinous beverages, or ready-to-drink spirits beverages pursuant to section 421 of this title.

* * *

Sec. 16. 7 V.S.A. § 254 is amended to read:

§ 254. SPECIAL VENUE SERVING PERMITS

* * *

(b) A permit holder may purchase malt ~~or beverages~~, vinous beverages, or ready-to-drink spirits beverages directly from a licensed retailer.

* * *

(d) A public library or museum may only be granted a permit pursuant to this section for an event held for a charitable or educational purpose at which malt ~~and beverages~~, vinous beverages, and ready-to-drink spirits beverages will be served for a period of not more than six hours.

Sec. 17. 7 V.S.A. § 255 is amended to read:

§ 255. RETAIL ALCOHOLIC BEVERAGE TASTING PERMITS

* * *

(b) The Division may grant the following alcoholic beverage tasting permits to the following types of licensees:

(1) A second-class licensee.

(A) The permit authorizes the employees of the second-class licensee or of a designated manufacturer or rectifier to dispense to each customer of legal age on the licensee's premises malt ~~or beverages~~, vinous beverages, or ready-to-drink spirits beverages by the glass not to exceed two ounces of each beverage with a total of eight ounces of malt ~~or beverages~~, vinous beverages, or ready-to-drink spirits beverages.

(B) Malt ~~or beverages~~, vinous beverages, or ready-to-drink spirits beverages dispensed at the tasting event shall be from the inventory of the licensee or purchased from a wholesale dealer.

* * *

(2) A licensed manufacturer or rectifier of malt ~~or beverages~~, vinous beverages, or ready-to-drink spirits beverages.

(A) The permit authorizes the licensed manufacturer or rectifier to dispense to each customer of legal age for consumption on the premises of a second-class licensee beverages produced by the manufacturer or rectifier by the glass not to exceed two ounces of each beverage with a total of eight ounces of malt ~~or beverages~~, vinous beverages, or ready-to-drink spirits beverages.

* * *

(3) A licensed wholesale dealer. The permit authorizes a licensed wholesale dealer to dispense malt ~~or~~ beverages, vinous beverages, or ready-to-drink spirits beverages for promotional purposes at the wholesale dealer's premises without charge to invited employees of first-, second-, and third-class licensees, provided the invited employees are of legal age.

(c) A vinous beverage, ready-to-drink spirits beverage, or malt beverage tasting event held pursuant to subsection (b) of this section, not including an alcoholic beverage tasting conducted on the premises of the manufacturer or rectifier, shall comply with the following:

(1) continue for ~~no~~ not more than six hours, with ~~no~~ not more than six beverages to be offered at a single event, and ~~no~~ not more than two ounces of any single beverage and ~~no~~ not more than a total of eight ounces of malt ~~or~~ beverages, vinous beverages, or ready-to-drink spirits beverages to be dispensed to a customer;

* * *

Sec. 18. 7 V.S.A. § 256 is amended to read:

§ 256. PROMOTIONAL TASTINGS FOR LICENSEES

(a)(1) At the request of a first- or second-class licensee, a holder of a manufacturer's, rectifier's, or wholesale dealer's license may distribute without charge to the first- or second-class licensee's management and staff, provided they are of legal age, two ounces per person of vinous ~~or~~ beverages, malt beverages, or ready-to-drink spirits beverages for the purpose of promoting the beverage.

* * *

(b)(1) At the request of a holder of a wholesale dealer's license, a first-class licensee may dispense malt ~~or~~ beverages, vinous beverages, or ready-to-drink spirits beverages for promotional purposes without charge to invited management and staff of first-, second-, or third-class licensees, provided they are of legal age.

* * *

(c)(1) Upon receipt of a first- or second-class application by the Division, a holder of a wholesale dealer's license may dispense malt ~~or~~ beverages, vinous beverages, or ready-to-drink spirits beverages for promotional purposes without charge to invited management and staff of the business that has applied for a first- or second-class license, provided they are of legal age.

* * *

(4) No malt ~~or~~ beverages, vinous beverages, or ready-to-drink spirits

beverages shall be left behind at the conclusion of the tasting.

* * *

Sec. 19. 7 V.S.A. § 257 is amended to read:

§ 257. TASTINGS FOR PRODUCT QUALITY ASSURANCE

* * *

(b) Each sample of malt beverages ~~or~~, vinous beverages, or ready-to-drink spirits beverages shall be ~~no~~ not larger than two ounces, and each sample of spirits or fortified wines shall be ~~no~~ not larger than one-quarter ounce.

* * *

Sec. 20. 7 V.S.A. § 271 is amended to read:

§ 271. MANUFACTURER'S OR RECTIFIER'S LICENSE

(a)(1) The Board of Liquor and Lottery may grant a manufacturer's or rectifier's license upon application and payment of the fee provided in section 204 of this title that permits the license holder to operate a facility that manufactures or rectifies:

- (A) malt beverages;
- (B) vinous beverages and fortified wines; or
- (C) spirits, ready-to-drink spirits beverages, and fortified wines.

* * *

(b) Except as otherwise provided in section 224 of this title and subsections (d)–(f) of this section:

* * *

(2) malt beverages ~~and~~, vinous beverages, and ready-to-drink spirits beverages may be manufactured or rectified for sale to packagers or wholesale dealers, or for export, or both.

(c) A licensed manufacturer of vinous beverages or fortified wines, or both, may receive from another manufacturer licensed in or outside this State bulk shipments of vinous beverages to rectify with the licensee's own product, provided that the vinous beverages or fortified wines produced by the licensed manufacturer may contain ~~no~~ not more than 25 percent imported vinous beverages.

* * *

Sec. 21. 7 V.S.A. § 273 is amended to read:

§ 273. WHOLESALE DEALER'S LICENSE

* * *

(b) A wholesale dealer's license holder may distribute or sell malt beverages ~~or~~, vinous beverages, or ready-to-drink spirits beverages to first- and second-class licensees and holders of educational sampling event permits.

* * *

Sec. 22. 7 V.S.A. § 274 is amended to read:

§ 274. CERTIFICATE OF APPROVAL FOR DISTRIBUTION OF MALT
~~OR BEVERAGES,~~ VINOUS BEVERAGES,
OR READY-TO DRINK SPIRITS BEVERAGES

(a) The Board of Liquor and Lottery may grant to a manufacturer or distributor of malt ~~or beverages,~~ vinous beverages, or ready-to-drink spirits beverages that is not licensed under the provisions of this title a certificate of approval if the manufacturer or distributor does all of the following:

* * *

(b) A certificate of approval shall permit the holder to export malt ~~or beverages,~~ vinous beverages, or ready-to-drink spirits beverages or sell malt ~~or beverages,~~ vinous beverages, or ready-to-drink spirits beverages to holders of packagers' or wholesale dealers' licenses issued under section 272 or 273 of this title, or both.

(c) A holder of a packager's or a wholesale dealer's license issued under this title shall not purchase within or outside the State, or import or cause to be imported into the State, any malt ~~or beverages,~~ vinous beverages, or ready-to-drink spirits beverages unless the person, manufacturer, or distributor from which the beverages are obtained holds a valid certificate of approval or packager's license.

* * *

Sec. 23. 7 V.S.A. § 275 is amended to read:

§ 275. SOLICITOR'S LICENSE

* * *

(b) A solicitor's license holder may, by canvassing or interviewing holders of licenses issued under the provisions of this title:

(1) solicit orders for and promote the sale of malt ~~or beverages,~~ vinous beverages, or ready-to-drink spirits beverages; and

(2) promote the sale of spirits and fortified wines.

* * *

(d) A person who solicits, or attempts to solicit, orders for malt ~~or beverages,~~ vinous beverages, ~~or ready-to-drink spirits beverages;~~ or promotes, or attempts to promote, the sale of malt or vinous beverages, ~~ready-to-drink spirits beverages,~~ spirits, or fortified wines by canvassing or interviewing a holder of a license issued under the provisions of this title, without having first obtained a solicitor's license as provided in this section, or who makes a false or fraudulent statement or representation in an application for the license or in connection with an application shall be imprisoned not more than six months or fined not more than \$500.00, or both.

Sec. 24. 7 V.S.A. § 277 is amended to read:

§ 277. MALT AND, VINOUS, AND READY-TO-DRINK SPIRITS
BEVERAGE CONSUMER SHIPPING LICENSE

(a)(1) A manufacturer or rectifier of malt ~~or beverages,~~ vinous beverages, ~~or ready-to-drink spirits beverages~~ licensed in Vermont may be granted an in-state consumer shipping license by filing with the Division of Liquor Control an application in a form required by the Commissioner accompanied by a copy of the applicant's current Vermont manufacturer's license and the fee provided in section 204 of this title.

* * *

(b)(1) A manufacturer or rectifier of malt ~~or beverages,~~ vinous beverages, ~~or ready-to-drink spirits beverages~~ licensed in another state that operates a brewery ~~or,~~ winery, ~~or distillery~~ in the United States and holds valid state and federal permits and licenses may be granted an out-of-state consumer shipping license by filing with the Division of Liquor Control an application in a form required by the Commissioner accompanied by copies of the applicant's current out-of-state manufacturer's license and the fee provided in section 204 of this title.

* * *

(c)(1) A consumer shipping license granted pursuant to this section shall permit the licensee to ship malt ~~or beverages,~~ vinous beverages, ~~or ready-to-drink spirits beverages~~ produced by the licensee to private residents for personal use and not for resale.

(2) A licensee shall not ship more than 12 cases of malt beverages containing ~~no not~~ more than 36 gallons of malt beverages or ~~no not~~ more than 12 cases of vinous beverages ~~or ready-to-drink spirits beverages~~ containing ~~no not~~ more than 29 gallons of vinous beverages ~~or ready-to-drink spirits~~

beverages to any one Vermont resident in any calendar year.

* * *

Sec. 25. 7 V.S.A. § 279 is amended to read:

§ 279. CONSUMER AND RETAIL SHIPPING LICENSES; GENERAL REQUIREMENTS

A holder of a shipping license granted pursuant to section 277 or 278 of this subchapter shall comply with all of the following:

* * *

(4) Report at least twice per year to the Division if a holder of a consumer shipping license and once per year if a holder of a retail shipping license in a manner and form required by the Commissioner all the following information:

(A) the total amount of malt ~~or~~ beverages, vinous beverages, or ready-to-drink spirits beverages shipped into or within the State during the preceding six months if a holder of a consumer shipping license or during the preceding 12 months if a holder of a retail shipping license;

* * *

(5) Pay to the Commissioner of Taxes the tax required pursuant to section 421 of this title on the malt ~~or~~ beverages, vinous beverages, or ready-to-drink spirits beverages shipped pursuant to this subchapter and comply with the provisions of 32 V.S.A. chapter 233, 24 V.S.A. § 138, and any other legally authorized local sales taxes. Delivery in this State shall be deemed to constitute a sale in this State at the place of delivery and shall be subject to all appropriate taxes levied by the State of Vermont.

* * *

Sec. 26. 7 V.S.A. § 280 is amended to read:

§ 280. COMMON CARRIERS; REQUIREMENTS

(a) A common carrier shall not deliver malt ~~or~~ beverages, vinous beverages, or ready-to-drink spirits beverages pursuant to this chapter until it has complied with the training provisions in section 213 of this title and been certified by the Division of Liquor Control.

(b) No employee of a certified common carrier may deliver malt ~~or~~ beverages, vinous beverages, or ready-to-drink spirits beverages until that employee completes the training required pursuant to subsection 213(c) of this title.

(c) A certified common carrier shall deliver only malt ~~or~~ beverages, vinous

beverages, or ready-to-drink spirits beverages that have been shipped by the holder of a license issued under section 277 or 278 of this subchapter or vinous beverages that have been shipped by the holder of a vinous beverage storage license issued under section 283 of this subchapter.

Sec. 27. 7 V.S.A. § 281 is amended to read:

§ 281. PROHIBITIONS

(a)(1) Except as otherwise provided in section 226 of this title, direct shipments of malt ~~or beverages~~, vinous beverages, or ready-to-drink spirits beverages are prohibited if the shipment is not specifically authorized and in compliance with sections 277–280 of this subchapter.

(2) Any person who knowingly makes, participates in, imports, or receives a direct shipment of malt ~~or beverages~~, vinous beverages, or ready-to-drink spirits beverages from a person who does not hold a license, permit, or certificate pursuant to sections 226 or 277–280 of this title may be fined not more than \$2,500.00 or imprisoned not more than one year, or both.

(b) The holder of a license issued pursuant to section 277 or 278 of this title or a common carrier that ships malt ~~or beverages~~, vinous beverages, or ready-to-drink spirits beverages to an individual under 21 years of age shall be fined not less than \$1,000.00 or more than \$3,000.00 or imprisoned not more than two years, or both.

* * *

* * * Tax on ready-to-drink spirits beverages; effective July 1, 2022 * * *

Sec. 28. 7 V.S.A. § 421 is amended to read:

§ 421. TAX ON MALT AND VINOUS BEVERAGES

(a) Every packager and wholesale dealer shall pay to the Commissioner of Taxes:

(1) the sum of 26 and one-half cents per gallon for every gallon or its equivalent of malt beverages containing not more than six percent of alcohol by volume at 60 degrees Fahrenheit sold by them to retailers in the State; ~~and~~

(2) the sum of 55 cents per gallon for each gallon of:

(A) malt beverages containing more than six percent of alcohol by volume at 60 degrees Fahrenheit; ~~and each gallon of~~

(B) vinous beverages sold by them to retailers in the State; and

(3) the sum of \$1.10 per gallon of ready-to-drink spirits beverages sold by them to retailers in the State.

(b) A manufacturer or rectifier of malt beverages, ~~or~~ vinous beverages, ~~or ready-to-drink spirits beverages~~ shall pay the taxes required by this subsection to the Commissioner of Taxes for all malt and vinous beverages manufactured or rectified by them and sold at retail.

~~(b)~~(c) A packager or wholesale dealer may sell malt ~~or~~ beverages, vinous beverages, ~~or ready-to-drink spirits beverages~~ to any duly authorized agency of the U.S. Armed Forces on any U.S. Armed Forces' installation presently existing in the State or ~~which~~ that may in the future be established as though to a retail dealer but without the payment of the gallonage tax, subject to the filing of the returns as provided in subsection (c) of this section.

~~(e)~~~~(1)~~(d)(1) For the purpose of ascertaining the amount of tax, on the filing dates set out in subdivision (2) of this subsection according to tax liability, each packager, wholesale dealer, manufacturer, or rectifier shall transmit to the Commissioner of Taxes, upon a form prepared and furnished by the Commissioner, a statement or return under oath or affirmation showing the quantity of malt ~~and~~ beverages, vinous beverages, ~~and ready-to-drink spirits beverages~~ sold by the packager, wholesale dealer, manufacturer, or rectifier during the preceding filing period, and report any other information requested by the Commissioner accompanied by payment of the tax required by this section. The amount of tax computed under subsection (a) of this section shall be rounded to the nearest whole cent. At the same time this form is due, each packager, wholesale dealer, manufacturer, or rectifier also shall transmit to the Commissioner in electronic format a separate report showing the description, quantity, and price of malt ~~and~~ beverages, vinous beverages, ~~and ready-to-drink spirits beverages~~ sold by the packager, wholesale dealer, manufacturer, or rectifier to each retail dealer as defined in section 2 of this title; provided, however, for direct sales to retail dealers by manufacturers or rectifiers of vinous beverages ~~or ready-to-drink spirits beverages~~, the report required by this subsection may be submitted in a nonelectronic format.

* * *

* * * Tax on ciders; effective July 1, 2023 * * *

Sec. 28a. 7 V.S.A. § 421 is amended to read:

§ 421. TAX ON MALT AND VINOUS BEVERAGES

(a) Every packager and wholesale dealer shall pay to the Commissioner of Taxes:

(1) the sum of 26 and one-half cents per gallon for every gallon or its equivalent of:

(A) malt beverages containing not more than six percent of alcohol

by volume at 60 degrees Fahrenheit sold by them to retailers in the State; and

(B) ciders containing not more than seven percent of alcohol by volume at 60 degrees Fahrenheit sold by them to retailers in the State;

(2) the sum of 55 cents per gallon for each gallon of:

(A) malt beverages containing more than six percent of alcohol by volume at 60 degrees Fahrenheit;

(B) ciders containing more than seven percent of alcohol by volume at 60 degrees Fahrenheit sold by them to retailers in the State; and

(C) vinous beverages sold by them to retailers in the State; and

* * *

Sec. 29. 7 V.S.A. § 651 is amended to read:

§ 651. SOLICITING ORDERS

A person who, for himself or herself or as agent, takes or solicits orders for the sale of malt ~~or beverages~~, vinous beverages, or ready-to-drink spirits beverages, except for licensees or from agencies of the U.S. Armed Forces as specified in section 421 of this title, or of spirits or fortified wines shall be imprisoned not more than six months or fined not more than \$500.00 nor less than \$100.00, or both.

Sec. 30. 7 V.S.A. § 656 is amended to read:

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

(a) Prohibited conduct; offense.

(1) Prohibited conduct. A person 16 years of age or older and under 21 years of age shall not:

(A) Falsely represent ~~his or her~~ the person's age for the purpose of procuring or attempting to procure malt or vinous beverages, ready-to-drink spirits beverages, spirits, or fortified wines from any licensee, State liquor agency, or other person or persons.

(B) Possess malt or vinous beverages, ready-to-drink spirits beverages, spirits, or fortified wines for the purpose of consumption by ~~himself or herself~~ the person or other minors, except in the regular performance of duties as an employee of a licensee licensed to sell alcoholic liquor.

(C) Consume malt or vinous beverages, ready-to-drink spirits beverages, spirits, or fortified wines. A violation of this subdivision may be prosecuted in a jurisdiction where the minor has consumed malt or vinous beverages, ready-to-drink spirits beverages, spirits, or fortified wines or in a jurisdiction where the indicators of consumption are observed.

* * *

Sec. 31. 7 V.S.A. § 701 is amended to read:

§ 701. DEFINITIONS

Except as otherwise provided pursuant to section 752 of this chapter, as used in this chapter:

(1) “Certificate of approval” means an authorization by the Board of Liquor and Lottery pursuant to section 274 of this title to a manufacturer or distributor of malt beverages ~~or~~ vinous beverages, or ~~both~~, ready-to-drink spirits beverages not licensed under the provisions of this title, to sell those beverages to holders of a packager’s or wholesale dealer’s license issued by the Board pursuant to section 272 or 273 of this title.

(2) “Franchise” or “agreement” ~~shall mean~~ means one or more of the following:

* * *

(B) a relationship that has been in existence for at least one year in which the wholesale dealer is granted the right to offer and sell the brands of malt beverages ~~or~~ vinous beverages, or ready-to-drink spirits beverages offered by the certificate of approval holder or manufacturer;

* * *

(E) a relationship that has been in existence for at least one year in which the wholesale dealer’s business is substantially reliant on the certificate of approval holder or manufacturer for the continued supply of malt beverages ~~or~~ vinous beverages, or ready-to-drink spirits beverages; or

* * *

(3) “Franchisee” means any malt beverages ~~or~~ vinous beverages, or ready-to-drink spirits beverages wholesale dealer to whom a franchise or agreement as defined in this section is granted or offered, or any malt beverages ~~or~~ vinous beverages, or ready-to-drink spirits beverages certificate of approval holder or manufacturer who is a party to a franchise or agreement as defined in this section.

(4) “Franchisor” means any malt beverages ~~or~~ vinous beverages, or

ready-to-drink spirits beverages certificate of approval holder or manufacturer who enters into any franchise or agreement with a malt beverages or vinous beverages wholesale dealer, or any malt beverages or vinous beverages certificate of approval holder or manufacturer who is a party to a franchise or agreement as defined in this section.

* * *

Sec. 32. 7 V.S.A. § 702 is amended to read:

§ 702. PROHIBITED ACTS BY MANUFACTURER OR CERTIFICATE OF APPROVAL HOLDER

A manufacturer or certificate of approval holder shall not do any of the following:

* * *

(2) Induce or coerce, or attempt to induce or coerce, any wholesale dealer to do any illegal act or thing by threatening to cancel or terminate the wholesale dealer's malt beverages ~~or~~, vinous beverages, or ready-to-drink spirits beverages franchise agreement.

(3) Fail or refuse to deliver promptly to a wholesale dealer after the receipt of its order any malt beverages ~~or~~, vinous beverages, or ready-to-drink spirits beverages when the product is available for immediate sale. If a manufacturer or certificate of approval holder believes in good faith that it does not have a sufficient amount of a product available for immediate sale to satisfy the demand of a wholesale dealer and its other customers, it shall allocate the available product between the wholesale dealer and its other customers in a fair and equitable manner.

* * *

Sec. 33. 7 V.S.A. § 705 is amended to read:

§ 705. EXCLUSIVE TERRITORIES

No certificate of approval holder or manufacturer, who designates a sales territory for which a wholesale dealer shall be primarily responsible or in which a wholesale dealer is required to concentrate its efforts, shall enter into any franchise or agreement with any other wholesale dealer for the purpose of establishing an additional franchisee for its brand or brands of malt beverages ~~or~~, vinous beverages, or ready-to-drink spirits beverages in the territory being primarily served or concentrated upon by the first licensed wholesale dealer.

Sec. 34. 7 V.S.A. § 706 is amended to read:

§ 706. SALE TO RETAILERS BY FRANCHISEES

No franchisee that is granted a sales territory for which the franchisee shall be primarily responsible or in which the franchisee is required to concentrate its efforts shall make any sale or delivery of malt beverages ~~or~~, vinous beverages, or ready-to-drink spirits beverages to any retail licensee whose place of business is not within the sales territory granted to the franchisee.

Sec. 35. 10 V.S.A. § 1521 is amended to read:

§ 1521. DEFINITIONS

~~For the purpose of~~ As used in this chapter:

(1) “Beverage” means beer or other malt beverages and mineral waters, mixed wine drink, soda water and carbonated soft drinks in liquid form and intended for human consumption. ~~As of January 1, 1990 “beverage” also shall mean~~ “Beverage” also means liquor and ready-to-drink spirits beverage.

* * *

Sec. 36. TRANSFER TO GENERAL FUND

(a) In fiscal year 2023, a minimum of \$20,400,000.00 shall be transferred from the Liquor Control Enterprise Fund to the General Fund. The amount transferred pursuant to this subsection shall include any amounts transferred pursuant to the fiscal year 2023 annual budget bill.

(b) In fiscal year 2024, a minimum of \$21,200,000.00 shall be transferred from the Liquor Control Enterprise Fund to the General Fund.

(c) It is the intent of the General Assembly that for each year after fiscal year 2024 the amounts transferred from the Liquor Control Enterprise Fund to the General Fund shall annually increase according to the growth rate of liquor tax revenues in the most recent January Consensus Revenue Forecast.

* * * DLL Criminal Background Checks * * *

Sec. 37. 7 V.S.A. § 215 is added to read:

§ 215. AUTHORITY FOR CRIMINAL BACKGROUND CHECKS

Subject to the approval of the Board, the Commissioner shall establish a user agreement with the Vermont Crime Information Center in accordance with 20 V.S.A. chapter 117 for the purpose of obtaining Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation to review applications for any liquor or tobacco license issued under this title.

Sec. 38. 31 V.S.A. § 655 is amended to read:

§ 655. DUTIES OF THE COMMISSIONER

* * *

(b) The Commissioner shall:

* * *

(7) Subject to the approval of the Board, establish a user agreement with the Vermont Crime Information Center in accordance with 20 V.S.A. chapter 117 for the purpose of obtaining Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation to review applications for any Lottery sales agent license issued under this title.

* * * Appointment of One Deputy Commissioner * * *

Sec. 39. 7 V.S.A. § 101 is amended to read:

§ 101. COMPOSITION OF DEPARTMENT; COMMISSIONER OF
LIQUOR AND LOTTERY; BOARD OF LIQUOR AND LOTTERY

(a)(1) The Department of Liquor and Lottery, created by 3 V.S.A. § 212, shall administer the laws relating to alcoholic beverages, tobacco, and the State Lottery. It shall include the Commissioner of Liquor and Lottery and the Board of Liquor and Lottery.

* * *

(3)(A) The Department of Liquor and Lottery shall be under the immediate supervision and direction of the Commissioner of Liquor and Lottery.

* * *

(D) The Commissioner, with the approval of the Governor, may appoint a Deputy Commissioner of Liquor ~~Control and Lottery~~ to supervise and direct the Division of Liquor Control and a ~~Deputy Commissioner of the State Lottery to supervise and direct~~ the Division of Lottery. ~~Both~~ The Deputy ~~Commissioners~~ Commissioner shall be exempt from the classified service and shall serve at the pleasure of the Commissioner.

* * *

* * * Expansion of Rare Spirits Raffle * * *

Sec. 40. 7 V.S.A. § 5 is amended to read:

§ 5. DIVISION OF LIQUOR CONTROL; RAFFLES FOR RIGHT TO
PURCHASE RARE AND UNUSUAL PRODUCTS SPIRITS

(a) Notwithstanding any provision of 13 V.S.A. chapter 51 to the contrary, the Division of Liquor Control may conduct raffles for the right to purchase certain rare and unusual spirits and fortified wines that are acquired by the Board of Liquor and Lottery. A raffle conducted pursuant to this section shall meet the following requirements:

(1) Tickets to enter the raffle shall only be available for purchase to a member of the general public, or to a third-class licensee by and through an authorized agent, who is 21 years of age or older.

* * *

* * * Staggered Licenses * * *

Sec. 41. TRANSITIONAL PROVISION; STAGGERED LICENSE
RENEWAL

The Department of Liquor and Lottery may extend the expiration date and stagger the issuance or renewal of permits, licenses, and certificates that are set to expire in the years 2023 and 2024. Permits, licenses, and certificates that are renewed on April 30, 2023 shall remain valid for one year or until a later renewal date designated by the Department.

Sec. 42. AGENCY OF ADMINISTRATION; STUDY AND REPORT

(a) Privatization study. On or before January 15, 2024, the Agency of Administration shall submit a written report to the House Committees on Ways and Means and on General, Housing, and Military Affairs and the Senate Committees on Economic Development, Housing and General Affairs and on Finance concerning the potential privatization of Vermont's alcoholic beverage market. The study and report shall examine the impact on State revenue, the taxation and enforcement models that could be used in a private market, and recommendations for whether the State should amend regulatory structures to implement a privatized alcoholic beverage market. The Agency of Administration shall contract with an independent third-party consultant to conduct the study required by this subsection.

(b) Appropriation. The sum of \$50,000.00 is appropriated from the General Fund to the Agency of Administration in fiscal year 2023 for the purpose of contracting with an independent third-party consultant pursuant to subsection (a) of this section.

* * * Effective Dates * * *

Sec. 43. EFFECTIVE DATES

(a) This section and Sec. 41 (transitional provision; staggered license renewal) shall take effect on passage.

(b) Sec. 28a (tax on malt and vinous beverages; ciders) shall take effect on July 1, 2023.

(c) All other sections shall take effect on July 1, 2022.

Which proposal of amendment was considered and concurred in.

Second Reading; Resolution Amended; Third Reading Ordered**J.R.H. 22**

Rep. Troiano of Stannard, for the Committee on General, Housing, and Military Affairs, to which had been referred joint House resolution, entitled

Joint resolution urging the President and Congress to spearhead a global effort to prevent nuclear war and opposing the basing of nuclear weapons in Vermont

Reported in favor of its passage when amended by striking the resolution in its entirety and inserting in lieu thereof the following:

Joint resolution urging the President and Congress to spearhead a global effort to prevent nuclear war

Whereas, in 1980, there were more than 54,000 nuclear weapons worldwide, and by 1985 this number had increased to more than 61,000, and

Whereas, in 1982, the General Assembly, in response to the adoption at over 160 town meetings of the nonbinding question asking: "Shall the State Senators and Representatives from this district be advised to introduce into the Vermont Legislature a resolution asking the Vermont Congressional Delegation to: Request the President of the United States to propose to the Soviet Union a mutual freeze on the testing, production, and deployment of nuclear weapons and of missiles and new aircraft designed primarily to deliver nuclear weapons, with verification safeguards satisfactory to both countries," adopted J.R.H. 55 (1982 Acts and Resolves No. R-82) asking the Vermont Congressional Delegation to make this request of the President, and

Whereas, both these town meeting votes and the General Assembly's adopting of the joint resolution were significant political statements in support of a verifiable nuclear freeze, and

Whereas, although a nuclear freeze did not occur, the broad political support for this proposal contributed to a major reduction in the world's nuclear arsenals, and

Whereas, as of 2020, there were more than 13,000 nuclear weapons in the world, and an overwhelming majority of these weapons belonged to the United States and Russia, with the balance belonging to other nations, and

Whereas, in 2010, the updated Nuclear Posture Review outlined the Obama Administration's approach to reducing nuclear risks and pursuing the goal of a world without nuclear weapons while maintaining the security interests of the United States, and

Whereas, in 2011, the New Strategic Arms Reduction Treaty (New START) between the United States and Russia took effect, which provided for halving the number of strategic nuclear missile launchers and developing a new inspection and verification system and, in 2021, was extended to an anticipated termination date of February 5, 2026, and

Whereas, in July 2017, representatives of over 135 nations called for the elimination of all nuclear weapons through the adoption of the Treaty on the Prohibition of Nuclear Weapons, which was entered into force on January 22, 2021, and

Whereas, in 2022, global tensions, military conflicts, and perceived changes in nuclear doctrine in countries such as Russia, China and Iran have led to fears of the use of nuclear weapons, inspiring in a number of Vermonters a desire to lead the effort to prevent nuclear war, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly urges Congress and the President to spearhead a global effort to prevent nuclear war by:

(1) committing to preparing an updated Nuclear Posture Review that will assert the intent of the United States to reduce the role of nuclear weapons in its deterrence and defense policies and to continue to reduce its nuclear weapons stockpile;

(2) establishing additional protections to ensure that the President does not have the sole and unchecked authority to launch a nuclear attack;

(3) adding more protections to the current hair-trigger alert system for U.S. nuclear weapons to lower the risk of accidental or unauthorized launches; and

(4) actively pursuing a verifiable agreement among nuclear-armed nations to eliminate their nuclear arsenals and other offensive weapons of mass-destruction, such as biological weapons, in a way that reduces and eliminates

the need for nuclear weapons as instruments of mutually assured destruction, and be it further

Resolved: That the General Assembly reaffirms its adoption of 1982 Acts and Resolves No. R-82 in opposition to the proliferation of nuclear weapons, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to Governor Philip B. Scott, President Joseph R. Biden, and the Vermont Congressional Delegation.

The resolution, having appeared on the Notice Calendar, was taken up, read the second time, and the report of the Committee on General, Housing, and Military Affairs agreed to on a vote by division: Yeas, 83; Nays, 63.

Pending the question, Shall the resolution be read a third time?, **Rep. Small of Winooski** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the resolution be read a third time?, was decided in the affirmative. Yeas, 83. Nays, 62.

Those who voted in the affirmative are:

Ancel of Calais	Grad of Moretown	Patt of Worcester
Anthony of Barre City	Hooper of Montpelier	Pugh of South Burlington
Arrison of Weathersfield	Hooper of Randolph	Rachelson of Burlington
Bartholomew of Hartland	Hooper of Burlington	Rogers of Waterville
Black of Essex	Houghton of Essex	Satcowitz of Randolph
Bluemle of Burlington	Howard of Rutland City	Scheu of Middlebury
Bock of Chester	James of Manchester	Sheldon of Middlebury
Bos-Lun of Westminster	Jerome of Brandon	Small of Winooski
Brady of Williston	Jessup of Middlesex	Squirrell of Underhill
Briglin of Thetford	Killacky of South Burlington	Stebbins of Burlington
Brown of Richmond	Kitzmiller of Montpelier	Stevens of Waterbury
Brownell of Pownal	Kornheiser of Brattleboro	Sullivan of Dorset
Brumsted of Shelburne	LaLonde of South	Surprenant of Barnard
Burke of Brattleboro	Burlington	Till of Jericho
Burrows of West Windsor	Lanpher of Vergennes	Toleno of Brattleboro
Campbell of St. Johnsbury	Lefebvre of Newark	Townsend of South
Christie of Hartford	Lippert of Hinesburg	Burlington
Cina of Burlington	Long of Newfane	Troiano of Stannard
Coffey of Guilford	Masland of Thetford	Vyhovsky of Essex
Colburn of Burlington	McCarthy of St. Albans City	Walz of Barre City
Colston of Winooski	McCormack of Burlington	Webb of Shelburne
Conlon of Cornwall	McCullough of Williston	White of Bethel
Copeland Hanzas of	Mrowicki of Putney	White of Hartford
Bradford	Mulvaney-Stanak of	Whitman of Bennington *
Dolan of Essex	Burlington	Wood of Waterbury
Dolan of Waitsfield	Nicoll of Ludlow	Yacovone of Morristown

Durfee of Shaftsbury	Nigro of Bennington	Yantachka of Charlotte
Emmons of Springfield	O'Brien of Tunbridge	
Garofano of Essex	Pajala of Londonderry	
Goldman of Rockingham	Partridge of Windham	

Those who voted in the negative are:

Achey of Middletown	Hango of Berkshire	Norris of Sheldon
Springs	Harrison of Chittenden	Norris of Shoreham
Austin of Colchester	Helm of Fair Haven	Notte of Rutland City
Beck of St. Johnsbury	Higley of Lowell	Noyes of Wolcott
Birong of Vergennes	Kascenska of Burke	Ode of Burlington
Bongartz of Manchester	Kimbell of Woodstock	Page of Newport City *
Brennan of Colchester	Labor of Morgan	Palasik of Milton
Burditt of West Rutland	LaClair of Barre Town	Parsons of Newbury
Canfield of Fair Haven	Laroche of Franklin	Pearl of Danville
Chase of Colchester	Lefebvre of Orange	Peterson of Clarendon
Corcoran of Bennington	Leffler of Enosburgh	Rosenquist of Georgia
Cordes of Lincoln	Marcotte of Coventry	Scheuermann of Stowe
Cupoli of Rutland City	Martel of Waterford	Shaw of Pittsford
Donahue of Northfield	Mattos of Milton	Sibilia of Dover
Elder of Starksboro	McCoy of Poultney	Smith of Derby
Fagan of Rutland City	McFaun of Barre Town	Smith of New Haven
Feltus of Lyndon	Morgan, L. of Milton	Strong of Albany
Gannon of Wilmington	Morgan, M. of Milton	Taylor of Colchester
Goslant of Northfield *	Morris of Springfield	Terenzini of Rutland Town
Graham of Williamstown	Morrissey of Bennington	Toof of St. Albans Town
Gregoire of Fairfield	Murphy of Fairfax	Williams of Granby

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

Dickinson of St. Albans	Donnally of Hyde Park	Walker of Swanton
Town	Sims of Craftsbury	

Rep. Goslant of Northfield explained his vote as follows:

“Madam Speaker:

A man I most admired when I was very young was President John F. Kennedy. Thank God that man had the guts and love for his country to make probably one of the hardest decisions in his life. It may have cost him his life. There is no way I can support this resolution. I love my country, state, and all military and personnel that sacrifice themselves and family each and every day. There too many unknowns in the world. The United States of America has always been known as a nation of power and peace to other nations of this world. These are my personal thoughts. Thank you, all veterans and families that have lost loved ones, so I can say what I feel needed to be said today.”

Rep. Page of Newport City explained his vote as follows:

“Madam Speaker:

This body may not know that I am a retired active-duty member of the Air Force. I was a missile launch officer for two missile systems and I supported a third system. I was also part of an inspector monitor team traveling to the former Soviet Union to ensure that the START treaty was followed.

I do not support this resolution, but I respect the members’ rights to present this resolution. This body should know that there exists an agency that works to prevent the proliferation or use of weapons of mass destruction by working with partner nations to secure, eliminate, detect, and interdict WMD (weapons of mass destruction) related systems and materials.”

Rep. Whitman of Bennington explained his vote as follows:

“Madam Speaker:

I stand with our armed services’ members and military families and believe I as a representative owe an immense debt for their devotion and sacrifice. For me, that includes working towards a world where mass destruction on the scale of nuclear weapons is no longer a threat to humanity. For this reason, I vote yes.”

Rules Suspended; House Actions Messaged to Senate Forthwith

H. 626

House bill, entitled

An act relating to the sale, use, or application of neonicotinoid pesticides

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Rules Suspended; Actions Ordered Messaged to Senate Forthwith and Bills Delivered to the Governor Forthwith

On motion of **Rep. McCoy of Poultney**, the rules were suspended and House actions on the following bills were severally ordered messaged to the Senate forthwith and the bills delivered to the Governor forthwith:

H. 446

House bill, entitled

An act relating to miscellaneous natural resources and development subjects

H. 709

House bill, entitled

An act relating to miscellaneous agricultural subjects

H. 730

House bill, entitled

An act relating to alcoholic beverages and the Department of Liquor and Lottery

Recess

At eleven o'clock and forty-three minutes in the forenoon, the Speaker declared a recess until the fall of the gavel.

Message from the Senate No. 78

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 House proposals of amendment to Senate proposals of amendment to House bill of the following title:

H. 572. An act relating to the retirement allowance for interim educators.

And has concurred therein.

Message from the Senate No. 79

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 the report of the Committee of Conference upon the disagreeing votes of the two Houses upon House bill of the following title:

H. 510. An act relating to a Vermont Child Tax Credit and the Vermont Social Security income exclusion.

And has accepted and adopted the same on its part.

Called to Order

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

Rules Suspended; Immediate Consideration; Senate Proposal of Amendment Concurred in**H. 737**

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

An act relating to setting the homestead property tax yields and the nonhomestead property tax rate

Was taken up for immediate consideration.

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

**Sec. 1. PROPERTY DOLLAR EQUIVALENT YIELD, INCOME
DOLLAR EQUIVALENT YIELD, AND NONHOMESTEAD
PROPERTY TAX RATE FOR FISCAL YEAR 2023**

For fiscal year 2023 only:

(1) Pursuant to 32 V.S.A. § 5402b(b), the property dollar equivalent yield shall be \$13,314.00.

(2) Pursuant to 32 V.S.A. § 5402b(b), the income dollar equivalent yield shall be \$15,948.00.

(3) Notwithstanding 32 V.S.A. § 5402(a)(1) and any other provision of law to the contrary, the nonhomestead property tax rate shall be \$1.466 per \$100.00 of equalized education property value.

**Sec. 2. EDUCATION FUND RESERVES; POLYCHLORINATED
BIPHENYLS (PCBs) IN SCHOOLS**

(a) At the close of fiscal year 2022, notwithstanding 16 V.S.A. § 4025(d), \$22,000,000.00 shall be reserved within the Education Fund for purposes of funding the investigation, testing, assessment, remediation, and removal of polychlorinated biphenyls (PCBs) in schools.

(b) After satisfying the requirements of 16 V.S.A. § 4026 and after other reserve requirements have been met, notwithstanding 16 V.S.A. § 4025(d), of the remaining unreserved and undesignated monies in the Education Fund at the close of fiscal year 2022:

(1) the first \$10,000,000.00 shall remain unreserved and undesignated; and

(2) after accounting for the sum in subdivision (1) of this subsection, \$10,000,000.00 shall be reserved for purposes of funding the investigation, testing, assessment, remediation, and removal of PCBs in schools.

(c) No monies reserved under this section shall be expended for the remediation or removal of PCBs in schools except as authorized pursuant to Sec. 3 of this act. This subsection shall not affect the disbursement of monies reserved under this section for investigation, testing, and assessment of PCBs in schools.

(d) The State may recover from a manufacturer of PCBs monies expended from the reserves created under this section for the investigation, testing, assessment, remediation, and removal of PCBs detected in a school above the relevant action level.

Sec. 3. DISBURSEMENT PLAN; POLYCHLORINATED BIPHENYLS (PCBs); REMEDIATION; SIGNIFICANT HEALTH THREAT

(a) On or before January 15, 2023, the Agencies of Education and of Natural Resources and the Department of Health shall submit a written plan to the General Assembly setting out a process for the disbursement of monies reserved in Sec. 2 of this act. No monies shall be expended from the reserves for purposes of remediation, removal, or other required responses to the presence of PCBs in schools until the General Assembly has adopted legislation implementing or approving the plan. Monies may be expended from the reserves created in Sec. 2 of this act on the investigation, testing, and assessment of PCBs in schools, as necessary.

(b) Notwithstanding subsection (a) of this section, in the event of a significant health threat based on the concentration and location of PCBs in schools from July 1, 2022 through January 15, 2023, the Emergency Board is authorized to transfer monies in an amount not to exceed \$2,500,000.00 from the adjusted education payment of Sec. B.505 of the fiscal year 2023 act relating to making appropriations for the support of government to the Agency of Education. A transfer under this subsection shall only be made upon request of the Agencies of Education and of Natural Resources and the Department of Health for purposes of remediation, removal, or other required responses to the presence of PCBs in schools. Any amounts transferred under this subsection shall be addressed in the fiscal year 2023 budget adjustment act using the reserves created in Sec 2 of this act.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

Which proposal of amendment was considered and concurred in.

Rules Suspended; Immediate Consideration; Report of Committee of Conference Adopted

H. 510

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

An act relating to a Vermont Child Tax Credit and the Vermont Social Security income exclusion

Was taken up for immediate consideration.

The Speaker placed before the House the following Committee of Conference report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses respectfully reported that it met and considered the same and recommended the following:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House Bill entitled:

H.510. An act relating to a Vermont Child Tax Credit and the Vermont Social Security income exclusion.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposals of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Child Tax Credit * * *

Sec. 1. 32 V.S.A. § 5830f is added to read:

§ 5830f. VERMONT CHILD TAX CREDIT

(a) A resident individual or part-year resident individual who is entitled to a child tax credit under the laws of the United States shall be entitled to a refundable credit against the tax imposed by section 5822 of this title for the taxable year. The total credit per taxable year shall be in the amount of \$1,000.00 per qualifying child, as defined under 26 U.S.C. § 152(c), who is five years of age or younger as of the close of the calendar year in which the taxable year of the taxpayer begins. For a part-year resident individual, the amount of the credit shall be multiplied by the percentage that the individual's

income that is earned or received during the period of the individual's residency in this State bears to the individual's total income.

(b) Notwithstanding subsection (a) of this section, the amount of the credit per child under this section shall be reduced, but not below zero, by \$20.00 for each \$1,000.00, or fraction thereof, by which the individual's adjusted gross income exceeds \$125,000.00, irrespective of the individual's filing status. For purposes of this subsection, spouses filing jointly shall be considered an individual.

(c) Notwithstanding any provision of law to the contrary, the refundable credit and its payment authorized under this section shall be treated in the same manner as the federal Earned Income Tax Credit and shall not be considered as assets, income, or resources to the same extent the credit and its payment would be disregarded pursuant to 26 U.S.C. § 6409 and the general welfare doctrine for purposes of determining eligibility for benefits or assistance, or the amount or extent of those benefits or assistance, under any State or local program, including programs established under 33 V.S.A. § 3512 and chapters 11, 17, 19, 21, 25, and 26. This subsection shall only apply to the extent that it does not conflict with federal law relating to the benefit or assistance program and that any required federal approval or waiver is first obtained for that program.

* * * Child and Dependent Care Tax Credit * * *

Sec. 2. 32 V.S.A. § 5822(d) is amended to read:

(d)(1) A taxpayer shall be entitled to a credit against the tax imposed under this section of 24 percent of each of the credits allowed against the taxpayer's federal income tax for the taxable year as follows: the credit for people who are elderly or permanently totally disabled, and the investment tax credit attributable to the Vermont-property portion of the investment, and child-care and dependent care credits.

* * *

Sec. 3. 32 V.S.A. § 5828c is amended to read:

§ 5828c. ~~LOW-INCOME CHILD AND DEPENDENT CARE CREDIT~~

A resident of this State ~~with federal adjusted gross income less than \$30,000.00 (or \$40,000.00 for married, filing jointly)~~ shall be eligible for a refundable credit against the tax imposed under section 5822 of this title. The credit shall be equal to ~~50~~ 72 percent of the federal child and dependent care credit allowed to the taxpayer for the taxable year for child or dependent care services provided in this State ~~in a registered home or licensed facility certified by the Agency of Human Services as meeting national accreditation or~~

~~national credential standards endorsed by the Agency. A credit under this section shall be in lieu of any child and dependent care credit available under subsection 5822(d) of this title.~~

* * * Earned Income Tax Credit * * *

Sec. 4. 32 V.S.A. § 5828b(a) is amended to read:

(a) A resident individual or part-year resident individual who is entitled to an earned income tax credit granted under the laws of the United States shall be entitled to a credit against the tax imposed for each year by section 5822 of this title. The credit shall be ~~36~~ 38 percent of the earned income tax credit granted to the individual under the laws of the United States, multiplied by the percentage that the individual's earned income that is earned or received during the period of the individual's residency in this State bears to the individual's total earned income.

* * * Student Loan Interest Deduction * * *

Sec. 5. 32 V.S.A. § 5811 is amended to read:

§ 5811. DEFINITIONS

~~The following definitions shall apply throughout~~ As used in this chapter unless the context requires otherwise:

* * *

(21) "Taxable income" means, in the case of an individual, federal adjusted gross income determined without regard to 26 U.S.C. § 168(k) and:

* * *

(B) decreased by the following items of income (to the extent such income is included in federal adjusted gross income):

* * *

(iv) the portion of federally taxable benefits received under the federal Social Security Act that is required to be excluded under section 5830e of this chapter; and

* * *

(vi) the amount of interest paid by a qualified resident taxpayer during the taxable year on a qualified education loan for the costs of attendance at an eligible educational institution; and

* * *

(29) As used in subdivision (21)(B)(vi) of this section:

(A) “Qualified education loan” and “eligible educational institution” shall have the same meanings as under 26 U.S.C. § 221(d).

(B) “Qualified resident taxpayer” means an individual qualifying for residency as defined under subdivision (11) of this section and whose adjusted gross income is equal to or less than:

(i) \$120,000.00 if the individual’s filing status is single, head of household, or married filing separately; or

(ii) \$200,000.00 if the individual’s filing status is married filing jointly.

* * * Retirement Income Exclusions * * *

Sec. 6. 32 V.S.A. § 5811(21)(B)(iv) is amended to read:

(iv) the portion of certain retirement income and federally taxable benefits received under the federal Social Security Act that is required to be excluded under section 5830e of this chapter; ~~and~~

Sec. 7. 32 V.S.A. § 5830e is amended to read:

§ 5830e. RETIREMENT INCOME; SOCIAL SECURITY INCOME

(a) Social Security income. The portion of federally taxable Social Security benefits excluded from taxable income under subdivision 5811(21)(B)(iv) of this chapter shall be as follows:

(1) For taxpayers whose filing status is single, married filing separately, head of household, or ~~qualifying widow or widower~~ surviving spouse:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to ~~\$45,000.00~~ \$50,000.00, all federally taxable benefits received under the federal Social Security Act shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than ~~\$45,000.00~~ \$50,000.00 but less than ~~\$55,000.00~~ \$60,000.00, the percentage of federally taxable benefits received under the Social Security Act to be excluded shall be proportional to the amount of the taxpayer’s federal adjusted gross income over ~~\$45,000.00~~ \$50,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$55,000.00 \$60,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the federally taxable benefits received under the Social Security Act.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than ~~\$55,000.00~~ \$60,000.00, no amount of the federally taxable benefits received under the Social Security Act shall be excluded under this section.

(2) For taxpayers whose filing status is married filing jointly:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to ~~\$60,000.00~~ \$65,000.00, all federally taxable benefits received under the Social Security Act shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than ~~\$60,000.00~~ \$65,000.00 but less than ~~\$70,000.00~~ \$75,000.00, the percentage of federally taxable benefits received under the Social Security Act to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over ~~\$60,000.00~~ \$65,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from ~~\$70,000.00~~ \$75,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the federally taxable benefits received under the Social Security Act.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than ~~\$70,000.00~~ \$75,000.00, no amount of the federally taxable benefits received under the Social Security Act shall be excluded under this section.

(b) Civil Service Retirement System income. The portion of income received from the Civil Service Retirement System excluded from taxable income under subdivision 5811(21)(B)(iv) of this title shall be subject to the limitations under subsection (e) of this section and shall be determined as follows:

(1) For taxpayers whose filing status is single, married filing separately, head of household, or surviving spouse:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to \$50,000.00, the first \$10,000.00 of income received from the Civil Service Retirement System shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than \$50,000.00 but less than \$60,000.00, the percentage of the first \$10,000.00 of income received from the Civil Service Retirement System to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over \$50,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$60,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the income received from the Civil Service Retirement System.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than \$60,000.00, no amount of the income received from the Civil Service Retirement System shall be excluded under this section.

(2) For taxpayers whose filing status is married filing jointly:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to \$65,000.00, the first \$10,000.00 of income received from the Civil Service Retirement System shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than \$65,000.00 but less than \$75,000.00, the percentage of the first \$10,000.00 of income received from the Civil Service Retirement System to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over \$65,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$75,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the income received from the Civil Service Retirement System.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than \$75,000.00, no amount of the income received from the Civil Service Retirement System shall be excluded under this section.

(c) Other contributory retirement systems; earnings not covered by Social Security. Other retirement income, except U.S. military retirement income pursuant to subsection (d) of this section, received by a taxpayer of this State

shall be excluded pursuant to subsection (b) of this section as though the income were received from the Civil Service Retirement System and shall be subject to the limitations under subsection (e) of this section, provided that:

(1) the income is received from a contributory annuity, pension, endowment, or retirement system of:

(A) the U.S. government or a political subdivision or instrumentality of the U.S. government;

(B) this State or a political subdivision or instrumentality of this State; or

(C) another state or a political subdivision or instrumentality of another state; and

(2) the contributory system from which the income is received was based on earnings that were not covered by the Social Security Act.

(d) U.S. military retirement income. U.S. military retirement income received by a taxpayer of this State shall be excluded pursuant to subsection (b) of this section as though the income were received from the Civil Service Retirement System and shall be subject to the limitations under subsection (e) of this section.

(e) Requirement to elect one exclusion. A taxpayer of this State who is eligible during the taxable year for the Social Security income exclusion under subsection (a) of this section and any of the exclusions under subsections (b)–(d) of this section shall elect either one of the exclusions for which the taxpayer is eligible under subsections (b)–(d) of this section or the Social Security income exclusion under subsection (a) of this section, but not both, for the taxable year. A taxpayer of this State who is eligible during the taxable year for more than one of the exclusions under subsections (b)–(d) of this section shall elect only one of the exclusions for which the taxpayer is eligible for the taxable year.

* * * Statutory Purposes for Tax Expenditures * * *

Sec. 8. 32 V.S.A. § 5813 is amended to read:

§ 5813. STATUTORY PURPOSES

* * *

~~(c) The statutory purpose of the Vermont credit for child and dependent care in subsection 5822(d) of this title is to provide financial assistance to employees who must incur dependent care expenses to stay in the workforce in the absence of prekindergarten programming. [Repealed.]~~

* * *

(r) The statutory purpose of the Vermont ~~low-income~~ child and dependent care tax credit in section 5828c of this title is to provide cash relief to ~~lower-income~~ employees who incur dependent care expenses ~~in certified centers~~ to enable them to remain in the workforce.

* * *

(w) The statutory purpose of the partial exemption of federally taxable benefits under the Social Security Act and certain retirement income in section 5830e of this title is to lessen the tax burden on Vermonters with low to moderate income who derive part of their income from Social Security benefits and certain retirement income.

* * *

(y) The statutory purpose of the Vermont child tax credit in section 5830f of this title is to provide financial support to families with young children.

(z) The statutory purpose of the exclusion from income of student loan interest paid in subdivision 5811(21)(B)(vi) of this title is to lessen the financial impact of higher education debt on Vermonters.

* * * Affordable Housing Tax Credit; Manufactured Homes * * *

Sec. 9. 32 V.S.A. § 5930u(g) is amended to read:

(g)(1) In any fiscal year, the allocating agency may award up to:

(A) \$400,000.00 in total first-year credit allocations to all applicants for rental housing projects, for an aggregate limit of \$2,000,000.00 over any given five-year period that credits are available under this subdivision (A);

(B) ~~\$425,000.00~~ \$675,000.00 in total first-year credit allocations for loans or grants for owner-occupied unit financing or down payment loans as provided in subdivision (b)(2) of this section consistent with the allocation plan, including for new construction and manufactured housing, for an aggregate limit of ~~\$2,125,000.00~~ \$3,375,000.00 over any given five-year period that credits are available under this subdivision (B). Of the total first-year credit allocations made under this subdivision (B), \$250,000.00 shall be used each fiscal year for manufactured home purchase and replacement.

(2) If the full amount of first-year credits authorized by an award are not allocated to a taxpayer, the Agency may reclaim the amount not allocated and re-award such allocations to other applicants, and such re-awards shall not be subject to the limits set forth in subdivision (1) of this subsection.

* * * Appropriations * * *

Sec. 10. APPROPRIATION; AID FOR THE AGED, BLIND, AND DISABLED

(a) In fiscal year 2023, in addition to other funds provided to the Department for Children and Families, a total of \$750,000.00 in Global Commitment funds is appropriated to increase the payments to eligible individuals in the Aid for the Aged, Blind, and Disabled program. It is the intent of the General Assembly that this increase should be incorporated into the annual budget funding for the Aid for the Aged, Blind, and Disabled program in fiscal year 2024 and after.

(b) In fiscal year 2023, to fund the Global Commitment investment authorized under subsection (a) of this section, there is appropriated to the Secretary's Office of the Agency of Human Services:

(1) the sum of \$330,000.00 from the General Fund; and

(2) the sum of \$420,000.00 from federal funds.

(c) To the extent permitted under federal law, any increase in payments provided under subsection (a) of this section is intended to be retained by recipients in residential care settings by increasing the individuals' personal needs allowance.

Sec. 11. FY 2023 APPROPRIATION; CHILD CARE WORKER RETENTION GRANT PROGRAM

In fiscal year 2023, the sum of \$1,000,000.00 is appropriated from the General Fund to the Department for Children and Families for the early childhood staff and home-based provider retention grant program established in 2021 Acts and Resolves No. 74, Sec. G.300(a)(30), as added by 2022 Acts and Resolves No. 83, Sec. 68 and as may be further amended by the fiscal year 2023 budget act.

* * * Fees * * *

Sec. 12. 9 V.S.A. § 5302(f) is amended to read:

(f) Investment companies subject to 15 U.S.C. § 80a-1 et seq. shall pay to the Commissioner an initial notice filing fee of \$2,000.00 and an annual renewal fee of ~~\$1,500.00~~ \$1,650.00 for each portfolio or class of investment company securities for which a notice filing is submitted.

* * * Effective Dates * * *

Sec. 13. EFFECTIVE DATES

(a) This section shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Secs. 1–8 (income tax credits, deduction and exclusions) shall take effect retroactively on January 1, 2022 and shall apply to taxable years beginning on and after January 1, 2022.

(c) Secs. 9–12 (affordable housing tax credit, appropriations, and fees) shall take effect on July 1, 2022.

And that after passage the title of the bill be amended to read:

An act relating to tax reductions and other aid for Vermonters.

*ANN E. CUMMINGS
CHRISTOPHER A. PEARSON
RICHARD A. WESTMAN*

Committee on the part of the Senate

*JANET ANCEL
EMILIE K. KORNHEISER
SCOTT L. BECK*

Committee on the part of the House

Pending the question, Shall the report of the Committee of Conference be adopted?, **Rep. Ancel of Calais** 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 report of the Committee of Conference be adopted?, was decided in the affirmative. Yeas, 141. Nays, 4.

Those who voted in the affirmative are:

Achey of Middletown	Grad of Moretown	Norris of Shoreham
Spings	Graham of Williamstown	Notte of Rutland City
Ancel of Calais	Gregoire of Fairfield	Noyes of Wolcott
Anthony of Barre City	Harrison of Chittenden	O'Brien of Tunbridge
Arrison of Weathersfield	Helm of Fair Haven	Ode of Burlington
Austin of Colchester	Higley of Lowell	Pajala of Londonderry
Bartholomew of Hartland	Hooper of Montpelier	Parsons of Newbury
Beck of St. Johnsbury	Hooper of Randolph	Partridge of Windham
Birong of Vergennes	Houghton of Essex	Patt of Worcester
Black of Essex	Howard of Rutland City	Pearl of Danville
Bluemle of Burlington	James of Manchester	Peterson of Clarendon
Bock of Chester	Jerome of Brandon	Pugh of South Burlington
Bongartz of Manchester	Jessup of Middlesex	Rachelson of Burlington
Bos-Lun of Westminster	Kascenska of Burke	Rogers of Waterville
Brady of Williston	Killacky of South Burlington	Rosenquist of Georgia
Brennan of Colchester	Kimbell of Woodstock	Satcowitz of Randolph
Briglin of Thetford	Kitzmiller of Montpelier	Scheu of Middlebury
Brown of Richmond	Kornheiser of Brattleboro *	Scheuermann of Stowe
Brownell of Pownal	Labor of Morgan	Shaw of Pittsford
Brumsted of Shelburne	LaClair of Barre Town	Sheldon of Middlebury

Burditt of West Rutland	LaLonde of South	Sibilia of Dover
Burke of Brattleboro	Burlington	Sims of Craftsbury
Burrows of West Windsor	Lanpher of Vergennes	Small of Winooski
Campbell of St. Johnsbury	Laroche of Franklin	Smith of Derby
Canfield of Fair Haven	Lefebvre of Newark	Smith of New Haven
Chase of Colchester	Lefebvre of Orange	Squirrell of Underhill
Christie of Hartford	Leffler of Enosburgh	Stebbins of Burlington
Cina of Burlington	Lippert of Hinesburg	Stevens of Waterbury
Coffey of Guilford	Long of Newfane	Strong of Albany
Colburn of Burlington	Marcotte of Coventry	Sullivan of Dorset
Colston of Winooski	Martel of Waterford	Surprenant of Barnard
Conlon of Cornwall	Masland of Thetford	Taylor of Colchester
Copeland Hanzas of	Mattos of Milton	Till of Jericho
Bradford	McCarthy of St. Albans City	Toleno of Brattleboro
Corcoran of Bennington	McCormack of Burlington	Toof of St. Albans Town
Cordes of Lincoln	McCoy of Poultney	Townsend of South
Cupoli of Rutland City	McCullough of Williston	Burlington
Dolan of Essex	McFaun of Barre Town	Troiano of Stannard
Dolan of Waitsfield	Morgan, L. of Milton	Vyhovsky of Essex
Donnally of Hyde Park	Morgan, M. of Milton *	Walz of Barre City
Durfee of Shaftsbury	Morris of Springfield	Webb of Shelburne
Elder of Starksboro	Morrissey of Bennington	White of Bethel
Emmons of Springfield	Mrowicki of Putney	White of Hartford
Fagan of Rutland City	Mulvaney-Stanak of	Whitman of Bennington
Feltus of Lyndon	Burlington	Williams of Granby
Gannon of Wilmington	Murphy of Fairfax	Wood of Waterbury
Garofano of Essex	Nicoll of Ludlow	Yacovone of Morristown
Goldman of Rockingham	Nigro of Bennington	Yantachka of Charlotte
Goslant of Northfield *	Norris of Sheldon	

Those who voted in the negative are:

Donahue of Northfield	Page of Newport City
Hango of Berkshire	Terenzini of Rutland Town

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

Dickinson of St. Albans	Hooper of Burlington	Walker of Swanton
Town	Palasik of Milton	

Rep. Goslant of Northfield explained his vote as follows:

“Madam Speaker:

I voted in favor of this bill, because of the adjustment to help out families with children who I always try to assist. However, I will now express my disappointment once again for taxing military retirement pensions. Another lost opportunity to grow our workforce. These residents will pay taxes in our beautiful state. We could have, and should have, done more for our veterans.”

Rep. Kornheiser of Brattleboro explained her vote as follows:

“Madam Speaker:

This is a significant win for Vermont families— We are creating a clear message in our tax code that Vermont is a place that supports families, supports workers, and — that we understand what it means to parent, to carry student loan debt, to care for aging parents, and that we’re here for you.”

Rep. Morgan, M. of Milton explained his vote as follows:

“Madam Speaker:

I voted yes but feel we could have done more for pension relief for the military. As the member from Rutland said, it helps junior rank retirees primarily, but we could have done more for them. It is a start.”

**Senate Proposal of Amendment Concurred in
With a Further Amendment Thereto; Rules Suspended;
Bill Messaged to Senate Forthwith**

H. 738

The Senate proposed to the House to amend House bill, entitled

An act relating to technical and administrative changes to Vermont’s tax laws

The Senate proposed to the House to amend the bill as follows:

First: By striking out Sec. 15, 10 V.S.A. § 4255(c)(7), in its entirety and inserting in lieu thereof:

Sec. 15. 10 V.S.A. § 4255(c)(7) is amended to read:

(7) A certified citizen of a Native American Indian tribe that has been recognized by the State pursuant to 1 V.S.A. chapter 23 may receive ~~a free permanent fishing license or, if the person qualifies for a hunting license, a free permanent combination hunting and fishing license~~ free of charge one or all of the permanent fishing, hunting, or trapping licenses set forth in subdivisions (1)(A)–(D) of this subsection if qualified for the license and upon submission of a current and valid tribal identification card.

Second: By striking out Sec. 17, effective dates, and its reader assistance heading in their entirety and inserting in lieu thereof the following:

* * * Legislative Expense Reimbursement * * *

Sec. 17. 32 V.S.A. § 1052(b) is amended to read:

(b) During any session of the General Assembly, each member is entitled

to receive expenses as follows:

(1) Mileage reimbursement. ~~An allowance~~ Reimbursement equal to the cost of one round-trip each day between Montpelier and the member's home ~~actual mileage traveled~~ for each day of session in which the member ~~did not rent lodging in Montpelier or the vicinity. If a member rents lodging in Montpelier or the vicinity for an entire week of session, the member is entitled to an allowance for the cost of one round-trip for that week travels~~ between Montpelier and the member's home or from Montpelier or from the member's home to another site on officially sanctioned legislative business. ~~The allowance~~ Reimbursement of actual mileage traveled under this subdivision shall be at the rate per mile determined by the federal Office of Government-wide Policy and published in the Federal Register for the year of the session.

* * *

(4) Intent. ~~It is the intent of the General Assembly that only a member who is away from home and remains in Montpelier or the vicinity on the night preceding or following the day in which that member's chamber met shall receive reimbursement for expenses as provided in subdivision (1) of this subsection. [Repealed.]~~

* * * 529 Plans; Student Loan Repayment; VHEIP Income Tax Credit * * *

Sec. 18. 32 V.S.A. § 5825a(b) is amended to read:

(b) A taxpayer who has received a credit under subsection (a) of this section shall repay to the Commissioner 10 percent of any distribution from a higher education investment plan account, up to a maximum of the total credits received by the taxpayer under subsection (a) of this section minus any amount of repayment of such credits in prior tax years except when the distribution:

(1) is used exclusively for costs of attendance at an approved postsecondary education institution as defined in 16 V.S.A. § 2822(6);

(2) is used for a qualifying expense associated with a registered apprenticeship program pursuant to 26 U.S.C. § 529(c)(8); ~~or~~

(3) is made after the death of the beneficiary or after the beneficiary becomes disabled pursuant to subdivisions (q)(2)(C) and (m)(7) of 26 U.S.C. § 72; or

(4) is used for qualified higher education expense loan repayment pursuant to 26 U.S.C. § 529(c)(9), provided the loan being repaid was used exclusively for costs of attendance at an approved postsecondary education institution as defined in 16 V.S.A. § 2822(6).

* * * Communications Union Districts * * *

Sec. 19. 30 V.S.A. § 8086(c)(3) is amended to read:

(3) establish standards for recouping grant funds and transferring ownership of grant-funded network assets ~~to the State~~ if a grantee materially fails to comply with the terms and conditions of a grant;

Sec. 20. 30 V.S.A. § 8086(h) is added to read:

(h)(1) The Board shall require a communications union district that borrows funds for the purpose of financing a broadband project to immediately provide written notice to the Board in the event the communications union district becomes aware that it is at risk of defaulting on the payment of principal or interest on a loan when due. The Board, in turn, shall promptly provide written notice to the General Assembly, or to the Joint Fiscal Committee if the General Assembly is not in session, of such risk of default and shall include in its notification a description of any potential ramifications of the default under the terms and conditions of the applicable loan.

(2) If a communications union district defaults on the payment of principal or interest on a loan secured by grant-funded network assets, such assets may not be transferred or sold for a period of 180 calendar days commencing on the day the loan became past due. To the extent reasonably practicable, it is the intent of the General Assembly that publicly owned network assets remain publicly owned assets.

* * * Crime Insurance Coverage; Municipal Officer or Employee * * *

Sec. 21. 24 V.S.A. §§ 832 and 833 are amended to read:

§ 832. BONDS; REQUIREMENTS

Before the school directors, constable, road commissioner, collector of taxes, treasurer, assistant treasurer when appointed by the selectboard, clerk, and any other officer or employee of the town who has authority to receive or disburse town funds enter upon the duties of their offices, the selectboard shall require each to have crime insurance coverage or give a bond conditioned for the faithful performance of his or her duties: the school directors, to the town school district; the other named officers, to the town. The treasurer, assistant treasurer when appointed by the selectboard, and collector shall also be required to have crime insurance coverage or give a bond to the town school district for like purpose. All such crime insurance coverage or bonds shall be in sufficient sums and with sufficient sureties as prescribed and approved by the selectboard. If the selectboard at any time considers the crime insurance coverage or a bond of any such officer or employee to be insufficient, it may require, by written order, the officer or employee to give an additional bond in

such sum as it deems necessary. If an officer or employee, so required, neglects for ten days after such request to give such original or additional bond, his or her office shall be vacant. A bond or crime insurance coverage furnished pursuant to the provisions of this section shall not be valid if signed by any other officer of the same municipality as surety thereon.

§ 833. APPROVAL; RECORD; EVIDENCE

On the approval of crime insurance coverage or a bond required by section 832 of this title, the selectboard of a town shall file the same in the office of the town clerk to be recorded by such clerk in a book kept for that purpose. Copies thereof duly certified by such clerk shall be evidence in court as if the original were produced.

Sec. 22. 24 V.S.A. § 835 is amended to read:

§ 835. PAYMENT OF PREMIUMS

Bonds or crime insurance coverage required of officers of a municipality shall be paid for by the municipality requiring the same.

Sec. 23. 24 V.S.A. § 1234 is amended to read:

§ 1234. OATH; BOND

Before entering upon ~~his or her~~ a manager's duties, ~~such a~~ manager shall be sworn to the faithful performance of ~~his or her~~ the manager's duties and shall have crime insurance coverage or give a bond to the town in ~~such~~ the amount and with ~~such~~ the sureties as the selectboard may require.

Sec. 24. 24 V.S.A. § 1306 is amended to read:

§ 1306. OATHS AND BONDS OF OFFICERS

The clerk, treasurer, and collector of such corporation shall be sworn. The treasurer and collector shall have crime insurance coverage or give a bond to the corporation in such sum and with such sureties as are prescribed and approved by the trustees, conditioned for the faithful performance of their duties.

Sec. 25. 24 V.S.A. § 2433 is amended to read:

§ 2433. BONDS; ACTIONS

The trustees shall have crime insurance coverage or give bonds to the satisfaction of the selectboard, conditioned for the faithful performance of their duties. In the name of the town, they may prosecute and defend a suit or action for the recovery or protection of the estate entrusted to their care.

* * * City of Montpelier; Tax Increment Financing District * * *

Sec. 26. MONTPELIER TIF DISTRICT; ORIGINAL TAXABLE VALUE

(a) Notwithstanding any other provision of law, and upon approval by the Vermont Economic Progress Council as provided in subsection (b) of this section, the City of Montpelier may reset its original taxable value, as defined in 24 V.S.A. § 1891(5), to the grand list values as of April 1, 2023, provided that the reset:

(1) maintains the same parcels as the City's certified original taxable value;

(2) does not change the creation date of the district; and

(3) does not extend the City's period to incur indebtedness beyond March 31, 2030.

(b) The reset of the original taxable value in the City of Montpelier's tax increment financing district shall only become final upon approval by the Vermont Economic Progress Council of the City's application for a five-year extension of the deadline to incur its first debt. Notwithstanding any other provision of law, the City may apply to the Vermont Economic Progress Council for an extension of the period to incur its first debt not later than 90 days after the final April 1, 2023 grand list is filed with the city clerk. The City's extension application shall include an updated tax increment financing plan that incorporates the proposed reset original taxable value.

* * * Sales and Use Tax Exemption; Manufacturing Machinery
and Equipment * * *

Sec. 27. 32 V.S.A. § 9741(14) is amended to read:

(14)(A) Tangible personal property that becomes an ingredient or component part of, or is consumed or destroyed or loses its identity in the manufacture of tangible personal property for sale;

(B) ~~machinery~~ Machinery and equipment for use or consumption directly and exclusively, except for isolated or occasional uses, used in or consumed as an integral or essential part of an integrated production operation by a manufacturing or processing plant or facility engaged in the manufacture of tangible personal property for sale, or in the manufacture of other machinery or equipment, parts, or supplies for use in the manufacturing process; and devices used to monitor manufacturing machinery and equipment or the product during the manufacturing process. Machinery and equipment used in administrative, managerial, sales, or other nonproduction activities, or used prior to the first production operation or subsequent to the initial packaging of a product, shall not be exempt from tax, unless such uses are

~~merely isolated or occasional or unless the machinery used for initial packaging is also used for secondary packaging as part of an integrated process. Machinery and equipment shall not include buildings and structural components thereof. As used in this subdivision, it shall be rebuttably presumed that uses are not isolated or occasional if they total more than four percent of the time the machinery or equipment is operated. For the purposes of this subsection~~ subdivision (14), “manufacture” includes extraction of mineral deposits, the entire printing and bookmaking process, and the entire publication process.

(C) As used in this subdivision (14):

(i) “Integrated production operation” means an integrated series of operations at a manufacturing or processing plant or facility to process, transform, or convert tangible personal property by physical, chemical, or other means into a different form, composition, or character from that in which it originally existed. Integrated production operations begin when raw material is first changed physically, chemically, or otherwise in form, composition, or character, including being removed from storage or introduced for this manipulation, and end when the product is placed in initial packaging and shall include production line operations, including initial packaging operations, and waste, pollution, and environmental control operations.

(ii) “Manufacturing or processing business” means a business that utilizes an integrated production operation to manufacture, process, fabricate, or finish items for wholesale and retail distribution as part of what is commonly regarded by the general public as an industrial manufacturing or processing operation or an agricultural commodity processing operation. “Manufacturing or processing business” does not include nonindustrial businesses whose operations are primarily retail and that produce or process tangible personal property as an incidental part of conducting the retail business, such as retailers who bake, cook, or prepare food products in the regular course of their retail trade; the assembling of product by retailers for sale; grocery stores, meat lockers, and meat markets that butcher or dress livestock or poultry in the regular course of their retail trade; contractors who alter, service, repair, or improve real property; and retail businesses that clean, service, or refurbish and repair tangible personal property for its owner. The examples provided in this subdivision (ii) shall not be construed as exclusive.

(iii) “Manufacturing or processing plant or facility” means a single, fixed location owned or controlled by a manufacturing or processing business that consists of one or more structures or buildings in a contiguous area where integrated production operations are conducted to manufacture or process tangible personal property to be ultimately sold at retail. A business

may operate one or more manufacturing or processing plants or facilities at different locations to manufacture or process a single product of tangible personal property to be ultimately sold at retail.

(iv) “Primary” or “primarily” means more than 50 percent of the time.

(v) “Production line” means the assemblage of machinery and equipment at a manufacturing or processing plant or facility where the actual transformation or processing of tangible personal property occurs.

(D) For the purposes of this subdivision (14), machinery and equipment shall be deemed to be used as an integral or essential part of an integrated production operation when used during the integrated production operation:

(i) to transport, convey, handle, or store the property undergoing manufacturing or processing at any point from the beginning of the production line until it is placed into initial packaging;

(ii) to act upon, effect, promote, or otherwise facilitate a physical change to the property undergoing manufacturing or processing;

(iii) to guide, control, or direct the movement of property undergoing manufacturing or processing;

(iv) to test or measure materials, the property undergoing manufacturing or processing, or the finished product during the manufacturer’s integrated production operations;

(v) to plan, manage, control, or record the receipt and flow of property while undergoing manufacturing or processing;

(vi) to lubricate, control the operating of, or otherwise enable the functioning of other production machinery and equipment and the continuation of production operations;

(vii) to transmit or transport electricity, gas, water, steam, or similar substances used in production operations from the point of generation, if produced by the manufacturer or processor at the plant site, to that manufacturer’s production operation; or, if purchased or delivered from off-site, from the point where the substance enters the site of the plant or facility to that manufacturer’s production operations;

(viii) to package the property being manufactured or processed in any container or wrapping in which such property is normally sold or transported, even if the machinery operates after the point of initial packaging;

(ix) to cool, heat, filter, refine, or otherwise treat water, steam,

acid, oil, solvents, or other substances that are used in production operations;

(x) to provide and control an environment required to maintain certain levels of air quality, humidity, or temperature in special and limited areas of the plant or facility where such regulation of temperature or humidity is part of and essential to the production process;

(xi) to treat, transport, or store waste or other byproducts of production operations at the plant or facility and to clean manufacturing machinery and equipment;

(xii) to control pollution at the plant or facility where the pollution is produced by the manufacturing or processing operation; or

(xiii) to inspect or conduct quality control on the product, even if the inspection or quality control machinery operates after the point of initial packaging.

(E) "Machinery and equipment used as an integral or essential part of an integrated production operation" does not mean:

(i) machinery and equipment used for nonproduction purposes, including machinery and equipment used for plant security, fire prevention, first aid, accounting, administration, record keeping, advertising, marketing, sales or other related activities, plant cleaning, plant communications, and employee work scheduling;

(ii) machinery, equipment, and tools used primarily in maintaining and repairing any type of machinery and equipment or the building and plant;

(iii) transportation, transmission, and distribution equipment not primarily used in a production, warehousing, or material handling operation at the plant or facility, including the means of conveyance of natural gas, electricity, oil, or water, and related equipment, located outside the plant or facility;

(iv) office machines and equipment, including computers and related peripheral equipment, not used directly and primarily to control or measure the manufacturing process;

(v) furniture and other furnishings;

(vi) buildings, other than exempt machinery and equipment that is permanently affixed to or becomes a physical part of the building, and any other part of real estate that is not otherwise exempt;

(vii) building fixtures that are not integral to the manufacturing operation, such as utility systems for heating, ventilation, air conditioning, communications, plumbing, or electrical;

(viii) machinery and equipment used for general plant heating, cooling, and lighting; or

(ix) motor vehicles that are registered for operation on public highways.

(F) Subdivisions (D) and (E) of this subdivision (14) shall not be construed as exclusive lists of the machinery and equipment that qualify or do not qualify as an integral or essential part of an integrated production operation. When machinery or equipment is used as an integral or essential part of production operations part of the time and for nonproduction purposes at other times, the primary use of the machinery or equipment shall determine the qualification of the machinery or equipment for the exemption.

* * * Sales and Use Tax Exemption; Menstrual Products * * *

Sec. 27a. 32 V.S.A. § 9706(oo) is amended to read:

(oo) The statutory purpose of the exemption for ~~feminine hygiene~~ menstrual products in subdivision 9741(56) of this title is to limit the cost of goods that are necessary for the health and welfare of Vermonters.

Sec. 27b. 32 V.S.A. § 9741(56) is amended to read:

(56) ~~Feminine hygiene~~ Menstrual products. As used in this subdivision, “~~feminine hygiene menstrual~~ products” means tampons, panty liners, menstrual cups, ~~sanitary menstrual~~ napkins, and other similar tangible personal property designed for ~~feminine hygiene use~~ in connection with the human menstrual cycle but does not include “grooming and hygiene products” as defined in this chapter.

* * * Effective Dates * * *

Sec. 28. EFFECTIVE DATES

(a) This section and Secs. 27a and 27b (sales and use tax exemption; menstrual products) shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Secs. 1–3 (enhanced life estates; property transfer tax), 4 and 5 (underpayment penalties; deadlines), and 18 (529 plans; student loan repayment; VHEIP income tax credit) shall take effect retroactively on January 1, 2022 and shall apply to taxable years beginning on and after January 1, 2022.

(c) Notwithstanding 1 V.S.A. § 214, Secs. 6 and 7 (annual link to federal statutes) shall take effect retroactively on January 1, 2022 and shall apply to taxable years beginning on and after January 1, 2021.

(d) Secs. 8 (32 V.S.A. § 5862b; Children’s Trust Foundation checkoff) and

11 (transition; Children's Trust Fund; FY 2023 transfers) shall take effect on July 1, 2022.

(e) Secs. 9 (33 V.S.A. § 3303(b); Children's Trust Fund administration) and 10 (repeals; Children's Trust Fund) shall take effect on December 31, 2022.

(f) Notwithstanding 1 V.S.A. § 214, Secs. 12 and 13 (reporting federal audits and adjustments; partnerships) shall take effect retroactively on January 1, 2022 and shall apply to any adjustments to a taxpayer's federal taxable income with a final determination date occurring on and after July 1, 2022.

(g) Notwithstanding 1 V.S.A. § 214, Sec. 14 (taxation of land underlying solar plant or energy storage facility) shall take effect retroactively on July 1, 2021.

(h) Secs. 15 and 16 (fishing, hunting, and trapping licenses) shall take effect on January 1, 2023.

(i) Sec. 17 (legislative expense reimbursement) shall take effect on January 1, 2023.

(j) Secs. 19 and 20 (communications union districts), 21–25 (crime insurance coverage; municipal officer or employee), 26 (City of Montpelier; tax increment financing district), and 27 (sales and use tax exemption) shall take effect on July 1, 2022.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Reps. Kornheiser of Brattleboro, Ancel of Calais, Beck of St. Johnsbury, Brennan of Colchester, Canfield of Fair Haven, Durfee of Shaftsbury, Elder of Starksboro, Masland of Thetford, Mattos of Milton, Ode of Burlington, and Till of Jericho** moved that the House concur in the Senate proposal of amendment with further amendment thereto as follows:

First: By striking out Secs. 6 and 7, 32 V.S.A. §§ 5824 and 7402(8), and their reader assistance heading in their entirety and inserting in lieu thereof the following:

Sec. 6. [Deleted.]

Sec. 7. [Deleted.]

Second: By adding a new section to be Sec. 19a to read as follows:

Sec. 19a. REPORT; GRANT-FUNDED BROADBAND NETWORK

ASSETS

On or before January 15, 2023, the Vermont Community Broadband Board shall submit a written report to the Senate Committees on Finance, on Appropriations, and on Economic Development, Housing and General Affairs and the House Committees on Commerce and Economic Development, on Ways and Means, on Energy and Technology, and on Appropriations that analyzes 30 V.S.A. § 8086(c)(3), particularly with regard to the removal of the requirement that ownership of grant-funded network assets be transferred to the State if a grantee materially fails to comply with the terms and conditions of a grant. The Board shall review all financing contracts or agreements entered into by a communications union district on or after May 11, 2022 and make a determination as to whether publicly funded network assets are at risk of privatization due to financial insolvency or default under the terms and conditions of such contracts or agreements and whether additional statutory requirements should be enacted to protect the State's broadband investments.

Third: In Sec. 20, 30 V.S.A. § 8086(h), by striking out subdivision (h)(1) in its entirety and inserting in lieu thereof a new subdivision (h)(1) to read as follows:

(h)(1) The Board shall require a communications union district that borrows funds for the purpose of financing a broadband project to immediately provide written notice to the Board in the event the communications union district becomes aware that it is at risk of financial insolvency or of defaulting on the payment of principal or interest on a loan when due. The Board, in turn, shall promptly provide written notice to the Governor, the Treasurer, and the Joint Fiscal Committee of such risk of insolvency or default and shall include in its notification a description of any potential ramifications of the insolvency or default under the terms and conditions of the applicable loan.

Fourth: In Sec. 28, effective dates, in subsection (j), by striking out “19 and 20” and inserting in lieu thereof “19–20”

Fifth: In Sec. 28, effective dates, by striking out subsection (c) in its entirety and by relettering the remaining subsections to be alphabetically correct.

Which was agreed to.

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

**Rules Suspended; Actions Ordered Messaged to Senate Forthwith
and Bills Delivered to the Governor Forthwith**

On motion of **Rep. McCoy of Poultney**, the rules were suspended and House actions on the following bills were severally ordered messaged to the Senate forthwith and the bills delivered to the Governor forthwith:

H. 510

House bill, entitled

An act relating to a Vermont Child Tax Credit and the Vermont Social Security income exclusion

H. 737

House bill, entitled

An act relating to setting the homestead property tax yields and the nonhomestead property tax rate

Recess

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

Message from the Senate No. 80

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 House proposal of amendment to Senate bill of the following title:

S. 226. An act relating to expanding access to safe and affordable housing.

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

Message from the Senate No. 81

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 House proposal of amendment to Senate bill of the following title:

S. 250. An act relating to law enforcement data collection and interrogation.

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

Message from the Senate No. 82

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 House proposals of amendment to Senate proposal of amendment to House bill of the following title:

H. 626. An act relating to the sale, use, or application of neonicotinoid pesticides.

And has concurred therein.

Called to Order

At four o'clock and thirty-eight minutes in the afternoon the Speaker called the House to order.

**Rules Suspended; Immediate Consideration; Senate Proposal of
Amendment to House Proposal of Amendment Concurred in**

S. 250

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and Senate bill, entitled

An act relating to law enforcement data collection and interrogation

Was taken up for immediate consideration.

The Senate concurred in the House proposal of amendment with the following proposal of amendment thereto:

First: By striking out Sec. 1, 20 V.S.A. § 2366, in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 20 V.S.A. § 2366 is amended to read:

§ 2366. LAW ENFORCEMENT AGENCIES; FAIR AND IMPARTIAL
POLICING POLICY; RACE DATA COLLECTION

* * *

(4) The data provided pursuant to subdivision (3) of this subsection shall be posted electronically in a manner that is analyzable and accessible to the public on the receiving agency's website and clear and understandable. The receiving agency shall also report the data annually ~~to the General Assembly~~, on or before December 1, to the House and Senate Committees on Government Operations and on Judiciary and the Executive Director of Racial Equity. The report shall detail how the data is collected, how the data is accessible, how the data is used by the law enforcement agency, a review of the data to determine if additional data criteria is needed, and any recommendations to improve data collection and use.

* * *

Second: By adding a Sec. 1a to read as follows:

Sec. 1a. DEPARTMENT OF PUBLIC SAFETY; LAW ENFORCEMENT
DATA COLLECTION; REPORT

(a) On or before November 1, 2023, the Department of Public Safety shall submit a report concerning the ability of law enforcement agencies to collect data during law enforcement encounters. The report shall specify:

(1) the data currently collected, including law enforcement's capabilities and methods of collection;

(2) any suggested data collection criteria;

(3) any impediments to collecting data;

(4) proposed remedies to resolve any impediments; and

(5) a recommended definition of "law enforcement encounter."

(b) The report shall be submitted to the House and Senate Committees on Government Operations and on Judiciary and the Executive Director of Racial Equity.

(c) It is the intent of the General Assembly that the report's definition of "law enforcement encounter" and data criteria suggestions should be considered for codification into law by the General Assembly during the 2024 legislative session.

Third: In Sec. 4, study on deceptive and coercive methods of law enforcement interrogation; report, in subsection (b), in the third sentence, following "legislation" by inserting , if any

Which proposal of amendment was considered and concurred in.

**Rules Suspended; Immediate Consideration; Senate Proposal of
Amendment to House Proposal of Amendment Concurred in**

S. 226

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and Senate bill, entitled

An act relating to expanding access to safe and affordable housing

Was taken up for immediate consideration.

The Senate concurred in the House proposal of amendment with the following proposal of amendment thereto:

By striking out Sec. 23, effective dates, in its entirety and inserting in lieu thereof the following:

* * * Municipal Zoning * * *

Sec. 23. 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. 24. 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. 25. 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 have passed since the permit approval was issued.

* * * Municipal Bylaw Grants * * *

Sec. 26. 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. 27. 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, and 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. 28. 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. 29. 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. 30. 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.

* * *

~~(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. 31. 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. 32. 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. 33. 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. 34. 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.

* * * Wood Products Manufacturers * * *

Sec. 35. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

* * *

(43) “Wood product” means logs, pulpwood, veneer wood, bolt wood, wood chips, stud wood, poles, pilings, biomass, fuel wood, maple sap, and bark.

(44) “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.

Sec. 36. 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 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 (B) and (C) of this subsection (c). Requests for condition amendments under this subsection shall not be subject to Act 250 Rule 34(E).

* * * One-acre towns * * *

Sec. 37. 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. 38 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. 38. 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. 39. 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. 40. 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 nongovernmental 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 nonregulatory 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. 41. 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 its costs on applicants.

* * * Effective Dates * * *

Sec. 42. EFFECTIVE DATES

This act shall take effect on July 1, 2022, except that Sec. 11 (Missing Middle Pilot Program) and Sec. 21 (tax sales) shall take effect on passage.

Which proposal of amendment was considered and concurred in.

**Rules Suspended; Actions Ordered Messaged to Senate Forthwith
and Bills Delivered to the Governor Forthwith**

On motion of **Rep. McCoy of Poultney**, the rules were suspended and House actions on the following bills were severally ordered messaged to the Senate forthwith and the bills delivered to the Governor forthwith:

S. 226

Senate bill, entitled

An act relating to expanding access to safe and affordable housing

S. 250

Senate bill, entitled

An act relating to law enforcement data collection and interrogation

Recess

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

Message from the Senate No. 83

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 the report of the Committee of Conference upon the disagreeing votes of the two Houses upon House bill of the following title:

H. 740. An act relating to making appropriations for the support of government.

And has accepted and adopted the same on its part.

The Senate has considered House proposals of amendment to Senate proposal of amendment to House bill of the following title:

H. 738. An act relating to technical and administrative changes to Vermont's tax laws.

And has concurred therein.

Message from the Senate No. 84

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 on its part adopted joint resolution of the following title:

J.R.S. 54. Joint resolution relating to final adjournment of the General Assembly in 2022.

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

Message from the Senate No. 85

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 on its part completed the business of the session and is ready to adjourn *sine die*, pursuant to the provisions of J.R.S. 54.

Called to Order

At five o'clock and forty-seven minutes in the afternoon the Speaker called the House to order.

Bills Ordered Delivered to the Governor Forthwith

On motion of **Rep. McCoy of Poultney**, the following bills were severally ordered delivered to the Governor forthwith:

H. 572

House bill, entitled

An act relating to the retirement allowance for interim educators

H. 626

House bill, entitled

An act relating to the sale, use, or application of neonicotinoid pesticides

H. 716

House bill, entitled

An act relating to making miscellaneous changes in education law

H. 738

House bill, entitled

An act relating to technical and administrative changes to Vermont's tax laws

Joint Resolution Adopted in Concurrence**J.R.S. 54**

Joint resolution, entitled

By Senator Balint,

J.R.S. 54. Joint resolution relating to final adjournment of the General Assembly in 2022.

Resolved by the Senate and House of Representatives

That the President of the Senate and the Speaker of the House of Representatives adjourn their respective houses *sine die* on the twelfth or thirteenth day of May, 2022.

Was taken up, read, and adopted in concurrence.

Rules Suspended; Immediate Consideration; Report of Committee of Conference Adopted; Rules Suspended; Bill Ordered Messaged to Senate Forthwith and Delivered to Governor Forthwith**H. 740**

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

An act relating to making appropriations for the support of government

Was taken up for immediate consideration.

The Speaker placed before the House the following Committee of Conference report and its addendum:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses respectfully reported that it met and considered the same and recommended the following:

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Bill entitled:

H. 740. An act relating to making appropriations for the support of government.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in

lieu thereof the following:

Sec. A.100 SHORT TITLE

This bill may be referred to as the BIG BILL – Fiscal Year 2023 Appropriations Act.

Sec. A.101 PURPOSE

(a) The purpose of this act is to provide appropriations for the operations of State government during fiscal year 2023. It is the express intent of the General Assembly that activities of the various agencies, departments, divisions, boards, and commissions be limited to those that can be supported by funds appropriated in this act or other acts passed prior to June 30, 2022. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2023 to meet this condition unless otherwise directed by specific language in this act or other acts of the General Assembly.

Sec. A.102 APPROPRIATIONS

(a) It is the intent of the General Assembly that this act serves as the primary source and reference for appropriations for fiscal year 2023.

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

(c) Unless codified or otherwise specified, all narrative portions of this act apply only to the fiscal year ending on June 30, 2023.

Sec. A.103 DEFINITIONS

(a) As used in this act:

(1) “Encumbrances” means a portion of an appropriation reserved for the subsequent payment of existing purchase orders or contracts. The Commissioner of Finance and Management shall make final decisions on the appropriateness of encumbrances.

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

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

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

Sec. A.104 RELATIONSHIP TO EXISTING LAWS

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

Sec. A.105 OFFSETTING APPROPRIATIONS

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

Sec. A.106 FEDERAL FUNDS

(a) In fiscal year 2023, the Governor, with the approval of the General Assembly or the Joint Fiscal Committee if the General Assembly is not in session, may accept federal funds available to the State of Vermont, including block grants in lieu of or in addition to funds herein designated as federal. The Governor, with the approval of the General Assembly or the Joint Fiscal Committee if the General Assembly is not in session, may allocate all or any portion of such federal funds for any purpose consistent with the purposes for which the basic appropriations in this act have been made.

(b) If, during fiscal year 2023, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2022 session of the Vermont General Assembly are converted into block grants or are abolished under their current title in federal law and reestablished under a new title in federal law, the Governor may continue to accept such federal funds for any purpose consistent with the purposes for which the federal funds were appropriated. The Governor may spend such funds for such purposes for not more than 45 days prior to Legislative or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor’s request for approval.

Sec. A.107 NEW POSITIONS

(a) Notwithstanding any other provision of law, the total number of authorized State positions, both classified and exempt, excluding temporary

positions as defined in 3 V.S.A. § 311(11), shall not be increased during fiscal year 2023 except for new positions authorized by the 2022 session. Limited-service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction.

Sec. A.108 LEGEND

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

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

(b) The C sections contain amendments to the current fiscal year, the D sections contain fund transfers and reserve allocations for the upcoming budget year, the F sections contain Pay Act appropriations, and the G sections contain provisions relating to the American Rescue Plan Act of 2021, Pub. L. No 117-2 (ARPA) – Coronavirus State Fiscal Recovery Fund expenditures and other related funding.

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

Personal services	1,652,252
Operating expenses	111,750
Grants	25,000
Total	1,789,002
Source of funds	

General fund	1,092,614
Special funds	25,000
Internal service funds	440,610
Interdepartmental transfers	<u>230,778</u>
Total	1,789,002
Sec. B.101 Secretary of administration - finance	
Personal services	1,256,805
Operating expenses	<u>113,453</u>
Total	1,370,258
Source of funds	
Interdepartmental transfers	<u>1,370,258</u>
Total	1,370,258
Sec. B.102 Secretary of administration - workers' compensation insurance	
Personal services	831,338
Operating expenses	<u>115,218</u>
Total	946,556
Source of funds	
Internal service funds	<u>946,556</u>
Total	946,556
Sec. B.103 Secretary of administration - general liability insurance	
Personal services	507,371
Operating expenses	<u>38,155</u>
Total	545,526
Source of funds	
Internal service funds	<u>545,526</u>
Total	545,526
Sec. B.104 Secretary of administration - all other insurance	
Personal services	192,702
Operating expenses	<u>17,643</u>
Total	210,345
Source of funds	
Internal service funds	<u>210,345</u>
Total	210,345
Sec. B.105 Agency of digital services - communications and information technology	
Personal services	99,364,395
Operating expenses	<u>34,833,539</u>
Total	134,197,934

Source of funds	
General fund	179,572
Special funds	17,159,341
Internal service funds	<u>116,859,021</u>
Total	134,197,934
Sec. B.106 Finance and management - budget and management	
Personal services	1,560,869
Operating expenses	<u>328,431</u>
Total	1,889,300
Source of funds	
General fund	1,287,210
Internal service funds	<u>602,090</u>
Total	1,889,300
Sec. B.107 Finance and management - financial operations	
Personal services	2,258,652
Operating expenses	<u>729,477</u>
Total	2,988,129
Source of funds	
Internal service funds	<u>2,988,129</u>
Total	2,988,129
Sec. B.108 Human resources - operations	
Personal services	9,623,786
Operating expenses	<u>1,337,649</u>
Total	10,961,435
Source of funds	
General fund	1,645,579
Special funds	263,589
Internal service funds	8,582,668
Interdepartmental transfers	<u>469,599</u>
Total	10,961,435
Sec. B.108.1 Human resources - VTHR operations	
Personal services	1,795,870
Operating expenses	<u>712,551</u>
Total	2,508,421
Source of funds	
Internal service funds	<u>2,508,421</u>
Total	2,508,421

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

Personal services	1,109,145
Operating expenses	<u>601,415</u>
Total	1,710,560
Source of funds	
Internal service funds	<u>1,710,560</u>
Total	1,710,560

Sec. B.110 Libraries

Personal services	2,362,959
Operating expenses	892,587
Grants	<u>201,900</u>
Total	3,457,446
Source of funds	
General fund	2,004,119
Special funds	35,276
Federal funds	1,308,858
Interdepartmental transfers	<u>109,193</u>
Total	3,457,446

Sec. B.111 Tax - administration/collection

Personal services	17,831,398
Operating expenses	<u>5,790,925</u>
Total	23,622,323
Source of funds	
General fund	21,409,826
Special funds	2,178,388
Interdepartmental transfers	<u>34,109</u>
Total	23,622,323

Sec. B.112 Buildings and general services - administration

Personal services	1,080,924
Operating expenses	<u>153,965</u>
Total	1,234,889
Source of funds	
Interdepartmental transfers	<u>1,234,889</u>
Total	1,234,889

Sec. B.113 Buildings and general services - engineering

Personal services	96,274
Operating expenses	<u>1,535,829</u>
Total	1,632,103

Source of funds	
General fund	1,132,103
Interdepartmental transfers	<u>500,000</u>
Total	1,632,103
Sec. B.113.1 Buildings and General Services Engineering - Capital Projects	
Personal services	<u>2,756,153</u>
Total	2,756,153
Source of funds	
General fund	<u>2,756,153</u>
Total	2,756,153
Sec. B.114 Buildings and general services - information centers	
Personal services	3,320,126
Operating expenses	<u>1,821,549</u>
Total	5,141,675
Source of funds	
General fund	649,572
Transportation fund	4,059,343
Special funds	<u>432,760</u>
Total	5,141,675
Sec. B.115 Buildings and general services - purchasing	
Personal services	1,134,262
Operating expenses	<u>222,957</u>
Total	1,357,219
Source of funds	
General fund	<u>1,357,219</u>
Total	1,357,219
Sec. B.116 Buildings and general services - postal services	
Personal services	757,054
Operating expenses	<u>249,683</u>
Total	1,006,737
Source of funds	
General fund	84,986
Internal service funds	<u>921,751</u>
Total	1,006,737
Sec. B.117 Buildings and general services - copy center	
Personal services	853,534
Operating expenses	<u>171,957</u>
Total	1,025,491

Source of funds	
Internal service funds	<u>1,025,491</u>
Total	1,025,491
Sec. B.118 Buildings and general services - fleet management services	
Personal services	777,083
Operating expenses	<u>250,909</u>
Total	1,027,992
Source of funds	
Internal service funds	<u>1,027,992</u>
Total	1,027,992
Sec. B.119 Buildings and general services - federal surplus property	
Operating expenses	<u>6,979</u>
Total	6,979
Source of funds	
Enterprise funds	<u>6,979</u>
Total	6,979
Sec. B.120 Buildings and general services - state surplus property	
Personal services	343,550
Operating expenses	<u>125,259</u>
Total	468,809
Source of funds	
Internal service funds	<u>468,809</u>
Total	468,809
Sec. B.121 Buildings and general services - property management	
Personal services	1,467,576
Operating expenses	<u>508,707</u>
Total	1,976,283
Source of funds	
Internal service funds	<u>1,976,283</u>
Total	1,976,283
Sec. B.122 Buildings and general services - fee for space	
Personal services	18,711,733
Operating expenses	<u>14,636,007</u>
Total	33,347,740
Source of funds	
Internal service funds	<u>33,347,740</u>
Total	33,347,740

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

Personal services	1,487,507
Operating expenses	<u>459,623</u>
Total	1,947,130
Source of funds	
General fund	1,716,379
Interdepartmental transfers	<u>230,751</u>
Total	1,947,130

Sec. B.125 Legislative counsel

Personal services	3,554,623
Operating expenses	<u>255,108</u>
Total	3,809,731
Source of funds	
General fund	<u>3,809,731</u>
Total	3,809,731

Sec. B.126 Legislature

Personal services	5,411,855
Operating expenses	<u>4,510,892</u>
Total	9,922,747
Source of funds	
General fund	<u>9,922,747</u>
Total	9,922,747

Sec. B.126.1 Legislative information technology

Personal services	1,191,177
Operating expenses	<u>564,119</u>
Total	1,755,296
Source of funds	
General fund	<u>1,755,296</u>
Total	1,755,296

Sec. B.127 Joint fiscal committee

Personal services	2,595,286
Operating expenses	<u>170,638</u>
Total	2,765,924
Source of funds	
General fund	<u>2,765,924</u>
Total	2,765,924

Sec. B.128 Sergeant at arms

Personal services	1,194,932
Operating expenses	<u>109,829</u>
Total	1,304,761
Source of funds	
General fund	<u>1,304,761</u>
Total	1,304,761

Sec. B.129 Lieutenant governor

Personal services	206,253
Operating expenses	<u>42,999</u>
Total	249,252
Source of funds	
General fund	<u>249,252</u>
Total	249,252

Sec. B.130 Auditor of accounts

Personal services	3,985,879
Operating expenses	<u>179,191</u>
Total	4,165,070
Source of funds	
General fund	357,074
Special funds	53,145
Internal service funds	<u>3,754,851</u>
Total	4,165,070

Sec. B.131 State treasurer

Personal services	4,615,443
Operating expenses	<u>214,594</u>
Total	4,830,037
Source of funds	
General fund	1,809,658
Special funds	2,803,034
Interdepartmental transfers	<u>217,345</u>
Total	4,830,037

Sec. B.132 State treasurer - unclaimed property

Personal services	829,638
Operating expenses	<u>326,937</u>
Total	1,156,575
Source of funds	
Private purpose trust funds	<u>1,156,575</u>

Total	1,156,575
Sec. B.133 Vermont state retirement system	
Personal services	180,911
Operating expenses	<u>1,399,555</u>
Total	1,580,466
Source of funds	
Pension trust funds	<u>1,580,466</u>
Total	1,580,466
Sec. B.134 Municipal employees' retirement system	
Personal services	198,399
Operating expenses	<u>890,207</u>
Total	1,088,606
Source of funds	
Pension trust funds	<u>1,088,606</u>
Total	1,088,606
Sec. B.134.1 Vermont Pension Investment Commission	
Personal services	1,909,994
Operating expenses	<u>226,691</u>
Total	2,136,685
Source of funds	
Special funds	<u>2,136,685</u>
Total	2,136,685
Sec. B.135 State labor relations board	
Personal services	236,763
Operating expenses	<u>58,324</u>
Total	295,087
Source of funds	
General fund	285,511
Special funds	6,788
Interdepartmental transfers	<u>2,788</u>
Total	295,087
Sec. B.136 VOSHA review board	
Personal services	81,139
Operating expenses	<u>14,783</u>
Total	95,922
Source of funds	
General fund	47,961
Interdepartmental transfers	<u>47,961</u>

Total	95,922
Sec. B.136.1 Ethics Commission	
Personal services	89,979
Operating expenses	<u>26,596</u>
Total	116,575
Source of funds	
Internal service funds	<u>116,575</u>
Total	116,575
Sec. B.137 Homeowner rebate	
Grants	<u>16,500,000</u>
Total	16,500,000
Source of funds	
General fund	<u>16,500,000</u>
Total	16,500,000
Sec. B.138 Renter rebate	
Grants	<u>9,500,000</u>
Total	9,500,000
Source of funds	
General fund	<u>9,500,000</u>
Total	9,500,000
Sec. B.139 Tax department - reappraisal and listing payments	
Grants	<u>3,388,000</u>
Total	3,388,000
Source of funds	
General fund	<u>3,388,000</u>
Total	3,388,000
Sec. B.140 Municipal current use	
Grants	<u>17,800,000</u>
Total	17,800,000
Source of funds	
General fund	<u>17,800,000</u>
Total	17,800,000
Sec. B.142 Payments in lieu of taxes	
Grants	<u>10,575,000</u>
Total	10,575,000
Source of funds	
Special funds	<u>10,575,000</u>

Total	10,575,000
Sec. B.143 Payments in lieu of taxes - Montpelier	
Grants	<u>184,000</u>
Total	184,000
Source of funds	
Special funds	<u>184,000</u>
Total	184,000
Sec. B.144 Payments in lieu of taxes - correctional facilities	
Grants	<u>40,000</u>
Total	40,000
Source of funds	
Special funds	<u>40,000</u>
Total	40,000
Sec. B.145 Total general government	
Source of funds	
General fund	104,811,247
Transportation fund	4,059,343
Special funds	35,893,006
Federal funds	1,308,858
Internal service funds	178,033,418
Interdepartmental transfers	4,447,671
Enterprise funds	6,979
Pension trust funds	2,669,072
Private purpose trust funds	<u>1,156,575</u>
Total	332,386,169
Sec. B.200 Attorney general	
Personal services	12,222,872
Operating expenses	1,615,595
Grants	<u>20,000</u>
Total	13,858,467
Source of funds	
General fund	6,533,053
Special funds	2,030,838
Tobacco fund	348,000
Federal funds	1,490,970
Interdepartmental transfers	<u>3,455,606</u>
Total	13,858,467

Sec. B.201 Vermont court diversion

Personal services	1,250
Grants	<u>3,006,479</u>
Total	3,007,729
Source of funds	
General fund	2,749,732
Special funds	<u>257,997</u>
Total	3,007,729

Sec. B.202 Defender general - public defense

Personal services	13,536,180
Operating expenses	<u>1,168,458</u>
Total	14,704,638
Source of funds	
General fund	14,114,985
Special funds	<u>589,653</u>
Total	14,704,638

Sec. B.203 Defender general - assigned counsel

Personal services	6,337,191
Operating expenses	<u>49,500</u>
Total	6,386,691
Source of funds	
General fund	<u>6,386,691</u>
Total	6,386,691

Sec. B.204 Judiciary

Personal services	47,987,874
Operating expenses	11,198,662
Grants	<u>121,030</u>
Total	59,307,566
Source of funds	
General fund	52,997,805
Special funds	3,260,434
Federal funds	953,928
Interdepartmental transfers	<u>2,095,399</u>
Total	59,307,566

Sec. B.205 State's attorneys

Personal services	12,905,446
Operating expenses	<u>1,980,473</u>
Total	14,885,919

Source of funds	
General fund	14,358,352
Special funds	101,442
Federal funds	224,319
Interdepartmental transfers	<u>201,806</u>
Total	14,885,919
Sec. B.206 Special investigative unit	
Personal services	86,487
Grants	<u>2,077,230</u>
Total	2,163,717
Source of funds	
General fund	<u>2,163,717</u>
Total	2,163,717
Sec. B.206.1 Crime Victims Advocates	
Personal services	<u>2,562,572</u>
Total	2,562,572
Source of funds	
General fund	<u>2,562,572</u>
Total	2,562,572
Sec. B.207 Sheriffs	
Personal services	4,440,864
Operating expenses	<u>415,366</u>
Total	4,856,230
Source of funds	
General fund	<u>4,856,230</u>
Total	4,856,230
Sec. B.208 Public safety - administration	
Personal services	4,517,183
Operating expenses	<u>5,076,934</u>
Total	9,594,117
Source of funds	
General fund	5,743,935
Special funds	4,105
Federal funds	536,792
Interdepartmental transfers	<u>3,309,285</u>
Total	9,594,117
Sec. B.209 Public safety - state police	
Personal services	62,598,426

Operating expenses	12,660,950
Grants	<u>1,467,153</u>
Total	76,726,529
Source of funds	
General fund	46,676,421
Transportation fund	20,250,000
Special funds	3,116,711
Federal funds	4,820,645
Interdepartmental transfers	<u>1,862,752</u>
Total	76,726,529
Sec. B.210 Public safety - criminal justice services	
Personal services	5,055,792
Operating expenses	<u>1,448,367</u>
Total	6,504,159
Source of funds	
General fund	1,423,477
Special funds	4,646,634
Federal funds	<u>434,048</u>
Total	6,504,159
Sec. B.211 Public safety - emergency management	
Personal services	3,778,940
Operating expenses	1,213,431
Grants	<u>35,889,332</u>
Total	40,881,703
Source of funds	
General fund	627,088
Special funds	710,000
Federal funds	39,537,389
Interdepartmental transfers	<u>7,226</u>
Total	40,881,703
Sec. B.212 Public safety - fire safety	
Personal services	7,549,948
Operating expenses	2,677,499
Grants	<u>107,000</u>
Total	10,334,447
Source of funds	
General fund	740,787
Special funds	8,998,928
Federal funds	549,732

Interdepartmental transfers	<u>45,000</u>
Total	10,334,447
Sec. B.213 Public safety - Forensic Laboratory	
Personal services	3,219,911
Operating expenses	<u>938,253</u>
Total	4,158,164
Source of funds	
General fund	3,407,657
Special funds	62,782
Federal funds	320,000
Interdepartmental transfers	<u>367,725</u>
Total	4,158,164
Sec. B.215 Military - administration	
Personal services	887,895
Operating expenses	656,621
Grants	<u>1,319,834</u>
Total	2,864,350
Source of funds	
General fund	<u>2,864,350</u>
Total	2,864,350
Sec. B.216 Military - air service contract	
Personal services	7,981,247
Operating expenses	<u>1,200,811</u>
Total	9,182,058
Source of funds	
General fund	636,623
Federal funds	<u>8,545,435</u>
Total	9,182,058
Sec. B.217 Military - army service contract	
Personal services	40,946,121
Operating expenses	<u>7,301,437</u>
Total	48,247,558
Source of funds	
Federal funds	<u>48,247,558</u>
Total	48,247,558
Sec. B.218 Military - building maintenance	
Personal services	779,881
Operating expenses	<u>869,698</u>

Total	1,649,579
Source of funds	
General fund	1,587,079
Special funds	<u>62,500</u>
Total	1,649,579
Sec. B.219 Military - veterans' affairs	
Personal services	1,023,293
Operating expenses	154,362
Grants	<u>41,300</u>
Total	1,218,955
Source of funds	
General fund	956,280
Special funds	162,675
Federal funds	<u>100,000</u>
Total	1,218,955
Sec. B.220 Center for crime victim services	
Personal services	1,644,629
Operating expenses	386,431
Grants	<u>7,819,312</u>
Total	9,850,372
Source of funds	
General fund	1,382,712
Special funds	3,461,971
Federal funds	<u>5,005,689</u>
Total	9,850,372
Sec. B.221 Criminal justice council	
Personal services	1,980,066
Operating expenses	<u>1,480,716</u>
Total	3,460,782
Source of funds	
General fund	3,130,282
Interdepartmental transfers	<u>330,500</u>
Total	3,460,782
Sec. B.222 Agriculture, food and markets - administration	
Personal services	1,979,598
Operating expenses	537,899
Grants	<u>227,972</u>
Total	2,745,469
Source of funds	

General fund	1,234,172
Special funds	988,397
Federal funds	<u>522,900</u>
Total	2,745,469

Sec. B.223 Agriculture, food and markets - food safety and consumer protection

Personal services	4,459,775
Operating expenses	844,913
Grants	<u>2,780,000</u>
Total	8,084,688
Source of funds	
General fund	2,945,168
Special funds	3,765,425
Federal funds	1,362,095
Interdepartmental transfers	<u>12,000</u>
Total	8,084,688

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

Personal services	5,521,540
Operating expenses	586,011
Grants	<u>5,042,425</u>
Total	11,149,976
Source of funds	
General fund	3,034,777
Special funds	545,738
Federal funds	<u>7,569,461</u>
Total	11,149,976

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

Personal services	2,830,318
Operating expenses	950,906
Grants	<u>545,334</u>
Total	4,326,558
Source of funds	
General fund	1,191,645
Special funds	2,325,153
Federal funds	472,695
Interdepartmental transfers	<u>337,065</u>
Total	4,326,558

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

Personal services	1,622,126
Operating expenses	<u>1,237,280</u>
Total	2,859,406
Source of funds	
General fund	1,051,709
Special funds	1,732,793
Interdepartmental transfers	<u>74,904</u>
Total	2,859,406

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

Personal services	3,351,394
Operating expenses	518,202
Grants	<u>5,253,111</u>
Total	9,122,707
Source of funds	
General fund	1,100,802
Special funds	7,266,122
Federal funds	441,907
Interdepartmental transfers	<u>313,876</u>
Total	9,122,707

Sec. B.226 Financial regulation - administration

Personal services	2,395,168
Operating expenses	<u>159,635</u>
Total	2,554,803
Source of funds	
Special funds	<u>2,554,803</u>
Total	2,554,803

Sec. B.227 Financial regulation - banking

Personal services	2,099,711
Operating expenses	<u>481,536</u>
Total	2,581,247
Source of funds	
Special funds	<u>2,581,247</u>
Total	2,581,247

Sec. B.228 Financial regulation - insurance

Personal services	4,586,782
Operating expenses	<u>678,282</u>

Total	5,265,064
Source of funds	
Special funds	<u>5,265,064</u>
Total	5,265,064
Sec. B.229 Financial regulation - captive insurance	
Personal services	4,748,621
Operating expenses	<u>693,529</u>
Total	5,442,150
Source of funds	
Special funds	<u>5,442,150</u>
Total	5,442,150
Sec. B.230 Financial regulation - securities	
Personal services	1,177,808
Operating expenses	<u>274,059</u>
Total	1,451,867
Source of funds	
Special funds	<u>1,451,867</u>
Total	1,451,867
Sec. B.232 Secretary of state	
Personal services	13,335,882
Operating expenses	<u>4,364,977</u>
Total	17,700,859
Source of funds	
Special funds	13,042,272
Federal funds	<u>4,658,587</u>
Total	17,700,859
Sec. B.233 Public service - regulation and energy	
Personal services	10,741,089
Operating expenses	1,153,898
Grants	<u>1,346,948</u>
Total	13,241,935
Source of funds	
Special funds	11,632,917
Federal funds	1,056,721
ARRA funds	510,535
Enterprise funds	<u>41,762</u>
Total	13,241,935

Sec. B.234 Public utility commission

Personal services	3,597,784
Operating expenses	<u>501,906</u>
Total	4,099,690
Source of funds	
Special funds	<u>4,099,690</u>
Total	4,099,690

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

Personal services	4,144,834
Operating expenses	<u>443,064</u>
Total	4,587,898
Source of funds	
General fund	0
Special funds	<u>4,587,898</u>
Total	4,587,898

Sec. B.236 Human rights commission

Personal services	691,710
Operating expenses	<u>88,837</u>
Total	780,547
Source of funds	
General fund	700,290
Federal funds	<u>80,257</u>
Total	780,547

Sec. B.236.1 Liquor & Lottery Comm. Office

Personal services	452,118
Operating expenses	<u>20,306</u>
Total	472,424
Source of funds	
Enterprise funds	<u>472,424</u>
Total	472,424

Sec. B.236.2 Lottery Operations

Personal services	2,325,309
Operating expenses	1,625,023
Grants	<u>250,000</u>
Total	4,200,332
Source of funds	
Enterprise funds	<u>4,200,332</u>
Total	4,200,332

Sec. B.237 Liquor control - administration

Personal services	3,894,882
Operating expenses	<u>1,386,666</u>
Total	5,281,548
Source of funds	
Tobacco fund	213,843
Enterprise funds	<u>5,067,705</u>
Total	5,281,548

Sec. B.238 Liquor control - enforcement and licensing

Personal services	2,031,174
Operating expenses	<u>415,495</u>
Total	2,446,669
Source of funds	
Federal funds	184,484
Enterprise funds	<u>2,262,185</u>
Total	2,446,669

Sec. B.239 Liquor control - warehousing and distribution

Personal services	1,076,103
Operating expenses	<u>498,696</u>
Total	1,574,799
Source of funds	
Enterprise funds	<u>1,574,799</u>
Total	1,574,799

Sec. B.240 Cannabis Control Board

Personal services	3,211,914
Operating expenses	<u>278,608</u>
Total	3,490,522
Source of funds	
Special funds	<u>3,490,522</u>
Total	3,490,522

Sec. B.241 Total protection to persons and property

Source of funds	
General fund	187,158,391
Transportation fund	20,250,000
Special funds	98,238,728
Tobacco fund	561,843
Federal funds	127,115,612
ARRA funds	510,535

Interdepartmental transfers	12,413,144
Enterprise funds	<u>13,619,207</u>
Total	459,867,460
Sec. B.300 Human services - agency of human services - secretary's office	
Personal services	12,307,314
Operating expenses	5,340,825
Grants	<u>2,895,202</u>
Total	20,543,341
Source of funds	
General fund	9,056,662
Special funds	135,517
Federal funds	10,569,851
Interdepartmental transfers	<u>781,311</u>
Total	20,543,341
Sec. B.301 Secretary's office - global commitment	
Grants	<u>1,835,603,282</u>
Total	1,835,603,282
Source of funds	
General fund	608,430,925
Special funds	33,384,536
Tobacco fund	21,049,373
State health care resources fund	17,078,501
Federal funds	1,151,625,777
Interdepartmental transfers	<u>4,034,170</u>
Total	1,835,603,282
Sec. B.303 Developmental disabilities council	
Personal services	424,008
Operating expenses	95,289
Grants	<u>191,595</u>
Total	710,892
Source of funds	
Special funds	12,000
Federal funds	<u>698,892</u>
Total	710,892
Sec. B.304 Human services board	
Personal services	766,312
Operating expenses	<u>89,396</u>
Total	855,708
Source of funds	

General fund	490,779
Federal funds	<u>364,929</u>
Total	855,708
Sec. B.305 AHS - administrative fund	
Personal services	330,000
Operating expenses	<u>13,170,000</u>
Total	13,500,000
Source of funds	
Interdepartmental transfers	<u>13,500,000</u>
Total	13,500,000
Sec. B.306 Department of Vermont health access - administration	
Personal services	133,258,216
Operating expenses	27,050,784
Grants	<u>2,912,301</u>
Total	163,221,301
Source of funds	
General fund	34,666,169
Special funds	4,738,197
Federal funds	114,997,590
Global Commitment fund	3,986,316
Interdepartmental transfers	<u>4,833,029</u>
Total	163,221,301
Sec. B.307 Department of Vermont health access - Medicaid program - global commitment	
Personal services	547,983
Grants	<u>837,108,046</u>
Total	837,656,029
Source of funds	
Global Commitment fund	<u>837,656,029</u>
Total	837,656,029
Sec. B.309 Department of Vermont health access - Medicaid program - state only	
Grants	<u>54,104,191</u>
Total	54,104,191
Source of funds	
General fund	44,533,864
Global Commitment fund	<u>9,570,327</u>
Total	54,104,191

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

Grants	<u>35,125,592</u>
Total	35,125,592
Source of funds	
General fund	12,736,699
Federal funds	<u>22,388,893</u>
Total	35,125,592

Sec. B.311 Health - administration and support

Personal services	7,880,051
Operating expenses	7,161,896
Grants	<u>15,416,408</u>
Total	30,458,355
Source of funds	
General fund	3,120,538
Special funds	2,123,150
Federal funds	19,371,027
Global Commitment fund	5,779,334
Interdepartmental transfers	<u>64,306</u>
Total	30,458,355

Sec. B.312 Health - public health

Personal services	58,557,637
Operating expenses	10,504,324
Grants	<u>45,237,061</u>
Total	114,299,022
Source of funds	
General fund	12,217,471
Special funds	22,422,908
Tobacco fund	1,088,918
Federal funds	61,398,428
Global Commitment fund	16,159,672
Interdepartmental transfers	986,625
Permanent trust funds	<u>25,000</u>
Total	114,299,022

Sec. B.313 Health - alcohol and drug abuse programs

Personal services	5,533,379
Operating expenses	511,500
Grants	<u>55,582,806</u>
Total	61,627,685

Source of funds	
General fund	4,706,142
Special funds	1,392,101
Tobacco fund	949,917
Federal funds	21,131,903
Global Commitment fund	<u>33,447,622</u>
Total	61,627,685
Sec. B.314 Mental health - mental health	
Personal services	37,550,464
Operating expenses	5,023,808
Grants	<u>251,958,650</u>
Total	294,532,922
Source of funds	
General fund	12,966,387
Special funds	1,690,187
Federal funds	10,279,911
Global Commitment fund	269,471,344
Interdepartmental transfers	<u>125,093</u>
Total	294,532,922
Sec. B.316 Department for children and families - administration & support services	
Personal services	41,932,610
Operating expenses	17,284,575
Grants	<u>3,819,106</u>
Total	63,036,291
Source of funds	
General fund	36,020,845
Special funds	2,789,842
Federal funds	22,463,191
Global Commitment fund	1,409,481
Interdepartmental transfers	<u>352,932</u>
Total	63,036,291
Sec. B.317 Department for children and families - family services	
Personal services	41,455,253
Operating expenses	5,392,584
Grants	<u>88,864,318</u>
Total	135,712,155
Source of funds	
General fund	56,028,109

Special funds	729,587
Federal funds	32,206,285
Global Commitment fund	46,710,437
Interdepartmental transfers	<u>37,737</u>
Total	135,712,155

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

Personal services	5,486,947
Operating expenses	860,622
Grants	<u>106,205,300</u>
Total	112,552,869
Source of funds	
General fund	33,130,398
Special funds	16,820,011
Federal funds	50,457,478
Global Commitment fund	12,144,941
Interdepartmental transfers	<u>41</u>
Total	112,552,869

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

Personal services	11,906,476
Operating expenses	<u>3,745,167</u>
Total	15,651,643
Source of funds	
General fund	4,718,623
Special funds	455,719
Federal funds	10,089,701
Interdepartmental transfers	<u>387,600</u>
Total	15,651,643

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

Personal services	2,252,206
Grants	<u>10,431,118</u>
Total	12,683,324
Source of funds	
General fund	7,533,333
Global Commitment fund	<u>5,149,991</u>
Total	12,683,324

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

Personal services	15,000
Grants	<u>2,823,574</u>

Total	2,838,574
Source of funds	
General fund	2,541,239
Federal funds	11,320
Global Commitment fund	<u>286,015</u>
Total	2,838,574
Sec. B.322 Department for children and families - 3SquaresVT	
Grants	<u>44,377,812</u>
Total	44,377,812
Source of funds	
Federal funds	<u>44,377,812</u>
Total	44,377,812
Sec. B.323 Department for children and families - reach up	
Operating expenses	30,633
Grants	<u>27,235,606</u>
Total	27,266,239
Source of funds	
General fund	15,097,457
Special funds	5,955,834
Federal funds	3,531,330
Global Commitment fund	<u>2,681,618</u>
Total	27,266,239
Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP	
Grants	<u>16,019,953</u>
Total	16,019,953
Source of funds	
Special funds	1,480,395
Federal funds	<u>14,539,558</u>
Total	16,019,953
Sec. B.325 Department for children and families - office of economic opportunity	
Personal services	707,738
Operating expenses	80,979
Grants	<u>19,896,892</u>
Total	20,685,609
Source of funds	
General fund	14,328,930
Special funds	58,135

Federal funds	4,942,559
Global Commitment fund	<u>1,355,985</u>
Total	20,685,609
Sec. B.326 Department for children and families - OEO - weatherization assistance	
Personal services	376,286
Operating expenses	47,090
Grants	<u>12,038,018</u>
Total	12,461,394
Source of funds	
Special funds	7,643,920
Federal funds	<u>4,817,474</u>
Total	12,461,394
Sec. B.327 Department for Children and Families - Secure Residential Treatment	
Personal services	258,100
Operating expenses	441,999
Grants	<u>3,476,862</u>
Total	4,176,961
Source of funds	
General fund	4,146,961
Global Commitment fund	<u>30,000</u>
Total	4,176,961
Sec. B.328 Department for children and families - disability determination services	
Personal services	7,271,721
Operating expenses	<u>472,446</u>
Total	7,744,167
Source of funds	
General fund	115,885
Federal funds	<u>7,628,282</u>
Total	7,744,167
Sec. B.329 Disabilities, aging, and independent living - administration & support	
Personal services	37,398,355
Operating expenses	<u>6,178,888</u>
Total	43,577,243
Source of funds	
General fund	19,725,270

Special funds	1,390,457
Federal funds	21,360,232
Global Commitment fund	35,000
Interdepartmental transfers	<u>1,066,284</u>
Total	43,577,243
Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants	
Grants	<u>19,709,925</u>
Total	19,709,925
Source of funds	
General fund	7,754,865
Federal funds	7,148,466
Global Commitment fund	<u>4,806,594</u>
Total	19,709,925
Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired	
Grants	<u>1,761,457</u>
Total	1,761,457
Source of funds	
General fund	489,154
Special funds	223,450
Federal funds	743,853
Global Commitment fund	<u>305,000</u>
Total	1,761,457
Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation	
Grants	<u>7,024,368</u>
Total	7,024,368
Source of funds	
General fund	1,371,845
Federal funds	4,402,523
Interdepartmental transfers	<u>1,250,000</u>
Total	7,024,368
Sec. B.333 Disabilities, aging, and independent living - developmental services	
Grants	<u>282,169,830</u>
Total	282,169,830
Source of funds	
General fund	155,125
Special funds	15,463

Federal funds	359,857
Global Commitment fund	281,589,385
Interdepartmental transfers	<u>50,000</u>
Total	282,169,830
Sec. B.334 Disabilities, aging, and independent living - Brain injury home and community based waiver	
Grants	<u>6,163,669</u>
Total	6,163,669
Source of funds	
Global Commitment fund	<u>6,163,669</u>
Total	6,163,669
Sec. B.334.1 Disabilities, aging and independent living - Long Term Care	
Grants	<u>247,242,665</u>
Total	247,242,665
Source of funds	
General fund	498,579
Federal funds	2,083,333
Global Commitment fund	<u>244,660,753</u>
Total	247,242,665
Sec. B.335 Corrections - administration	
Personal services	3,370,381
Operating expenses	<u>238,644</u>
Total	3,609,025
Source of funds	
General fund	<u>3,609,025</u>
Total	3,609,025
Sec. B.336 Corrections - parole board	
Personal services	385,959
Operating expenses	<u>59,216</u>
Total	445,175
Source of funds	
General fund	<u>445,175</u>
Total	445,175
Sec. B.337 Corrections - correctional education	
Personal services	3,504,641
Operating expenses	<u>244,932</u>
Total	3,749,573
Source of funds	

General fund	3,600,789
Education fund	0
Interdepartmental transfers	<u>148,784</u>
Total	3,749,573
Sec. B.338 Corrections - correctional services	
Personal services	124,883,844
Operating expenses	24,337,405
Grants	<u>0</u>
Total	149,221,249
Source of funds	
General fund	144,682,340
Special funds	935,963
Federal funds	460,376
Global Commitment fund	2,746,255
Interdepartmental transfers	<u>396,315</u>
Total	149,221,249
Sec. B.338.1 Corrections – Justice Reinvestment II	
Grants	<u>9,868,567</u>
Total	9,868,567
Source of funds	
General fund	7,290,879
Federal funds	13,147
Global Commitment fund	<u>2,564,541</u>
Total	9,868,567
Sec. B.339 Corrections - Correctional services-out of state beds	
Personal services	<u>4,130,378</u>
Total	4,130,378
Source of funds	
General fund	<u>4,130,378</u>
Total	4,130,378
Sec. B.340 Corrections - correctional facilities - recreation	
Personal services	549,029
Operating expenses	<u>455,845</u>
Total	1,004,874
Source of funds	
Special funds	<u>1,004,874</u>
Total	1,004,874
Sec. B.341 Corrections - Vermont offender work program	

Personal services	1,173,281
Operating expenses	<u>525,784</u>
Total	1,699,065
Source of funds	
Internal service funds	<u>1,699,065</u>
Total	1,699,065
Sec. B.342 Vermont veterans' home - care and support services	
Personal services	18,693,897
Operating expenses	<u>4,698,211</u>
Total	23,392,108
Source of funds	
General fund	4,068,733
Special funds	11,892,624
Federal funds	<u>7,430,751</u>
Total	23,392,108
Sec. B.343 Commission on women	
Personal services	364,225
Operating expenses	<u>70,416</u>
Total	434,641
Source of funds	
General fund	430,793
Special funds	<u>3,848</u>
Total	434,641
Sec. B.344 Retired senior volunteer program	
Grants	<u>150,961</u>
Total	150,961
Source of funds	
General fund	<u>150,961</u>
Total	150,961
Sec. B.345 Green Mountain Care Board	
Personal services	7,816,704
Operating expenses	<u>395,026</u>
Total	8,211,730
Source of funds	
General fund	3,261,362
Special funds	<u>4,950,368</u>
Total	8,211,730

Sec. B.346 Total human services

Source of funds	
General fund	1,118,252,689
Special funds	122,249,086
Tobacco fund	23,088,208
State health care resources fund	17,078,501
Education fund	0
Federal funds	1,651,894,729
Global Commitment fund	1,788,710,309
Internal service funds	1,699,065
Interdepartmental transfers	28,014,227
Permanent trust funds	<u>25,000</u>
Total	4,751,011,814

Sec. B.400 Labor - programs

Personal services	40,893,754
Operating expenses	5,784,394
Grants	<u>15,432,900</u>
Total	62,111,048
Source of funds	
General fund	10,449,258
Special funds	10,772,259
Federal funds	40,639,531
Interdepartmental transfers	<u>250,000</u>
Total	62,111,048

Sec. B.401 Total labor

Source of funds	
General fund	10,449,258
Special funds	10,772,259
Federal funds	40,639,531
Interdepartmental transfers	<u>250,000</u>
Total	62,111,048

Sec. B.500 Education - finance and administration

Personal services	16,916,498
Operating expenses	4,121,123
Grants	<u>14,770,700</u>
Total	35,808,321
Source of funds	
General fund	6,044,058
Special funds	16,441,181

Education fund	3,444,471
Federal funds	9,253,287
Global Commitment fund	260,000
Interdepartmental transfers	<u>365,324</u>
Total	35,808,321
Sec. B.501 Education - education services	
Personal services	28,826,010
Operating expenses	1,073,385
Grants	<u>481,143,571</u>
Total	511,042,966
Source of funds	
General fund	4,880,340
Special funds	3,009,310
Tobacco fund	750,388
Federal funds	<u>502,402,928</u>
Total	511,042,966
Sec. B.502 Education - special education: formula grants	
Grants	<u>208,073,400</u>
Total	208,073,400
Source of funds	
Education fund	<u>208,073,400</u>
Total	208,073,400
Sec. B.503 Education - state-placed students	
Grants	<u>17,500,000</u>
Total	17,500,000
Source of funds	
Education fund	<u>17,500,000</u>
Total	17,500,000
Sec. B.504 Education - adult education and literacy	
Grants	<u>4,412,900</u>
Total	4,412,900
Source of funds	
General fund	3,496,850
Federal funds	<u>916,050</u>
Total	4,412,900
Sec. B.504.1 Education - Flexible Pathways	
Grants	<u>9,143,000</u>
Total	9,143,000

Source of funds	
General fund	921,500
Education fund	<u>8,221,500</u>
Total	9,143,000
Sec. B.505 Education - adjusted education payment	
Grants	<u>1,561,661,000</u>
Total	1,561,661,000
Source of funds	
Education fund	<u>1,561,661,000</u>
Total	1,561,661,000
Sec. B.506 Education - transportation	
Grants	<u>21,786,000</u>
Total	21,786,000
Source of funds	
Education fund	<u>21,786,000</u>
Total	21,786,000
Sec. B.507 Education - small school grants	
Grants	<u>8,200,000</u>
Total	8,200,000
Source of funds	
Education fund	<u>8,200,000</u>
Total	8,200,000
Sec. B.510 Education - essential early education grant	
Grants	<u>7,511,638</u>
Total	7,511,638
Source of funds	
Education fund	<u>7,511,638</u>
Total	7,511,638
Sec. B.511 Education - technical education	
Grants	<u>16,253,900</u>
Total	16,253,900
Source of funds	
Education fund	<u>16,253,900</u>
Total	16,253,900
Sec. B.511.1 State Board of Education	
Personal services	38,905
Operating expenses	<u>31,803</u>

Total	70,708
Source of funds	
General fund	<u>70,708</u>
Total	70,708
Sec. B.514 State teachers' retirement system	
Grants	<u>187,273,782</u>
Total	187,273,782
Source of funds	
General fund	154,345,678
Education fund	<u>32,928,104</u>
Total	187,273,782
Sec. B.514.1 State teachers' retirement system administration	
Personal services	236,503
Operating expenses	<u>1,609,560</u>
Total	1,846,063
Source of funds	
Pension trust funds	<u>1,846,063</u>
Total	1,846,063
Sec. B.515 Retired teachers' health care and medical benefits	
Grants	<u>50,206,128</u>
Total	50,206,128
Source of funds	
General fund	35,106,128
Education fund	<u>15,100,000</u>
Total	50,206,128
Sec. B.516 Total general education	
Source of funds	
General fund	204,865,262
Special funds	19,450,491
Tobacco fund	750,388
Education fund	1,900,680,013
Federal funds	512,572,265
Global Commitment fund	260,000
Interdepartmental transfers	365,324
Pension trust funds	<u>1,846,063</u>
Total	2,640,789,806
Sec. B.600 University of Vermont	
Grants	<u>52,509,093</u>

Total	52,509,093
Source of funds	
General fund	<u>52,509,093</u>
Total	52,509,093
Sec. B.602 Vermont state colleges	
Grants	<u>30,500,464</u>
Total	30,500,464
Source of funds	
General fund	<u>30,500,464</u>
Total	30,500,464
Sec. B.602.2 Vermont state colleges - Transformation funding	
Grants	<u>15,000,000</u>
Total	15,000,000
Source of funds	
General fund	<u>15,000,000</u>
Total	15,000,000
Sec. B.603 Vermont state colleges - allied health	
Grants	<u>1,157,775</u>
Total	1,157,775
Source of funds	
General fund	748,314
Global Commitment fund	<u>409,461</u>
Total	1,157,775
Sec. B.605 Vermont student assistance corporation	
Grants	<u>20,978,588</u>
Total	20,978,588
Source of funds	
General fund	<u>20,978,588</u>
Total	20,978,588
Sec. B.605.1 VSAC - Flexible Pathways Stipend	
Grants	<u>82,450</u>
Total	82,450
Source of funds	
General fund	41,225
Education fund	<u>41,225</u>
Total	82,450

Sec. B.606 New England higher education compact

Grants	<u>84,000</u>
Total	84,000
Source of funds	
General fund	<u>84,000</u>
Total	84,000

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

Grants	<u>1</u>
Total	1
Source of funds	
General fund	<u>1</u>
Total	1

Sec. B.608 Total higher education

Source of funds	
General fund	119,861,685
Education fund	41,225
Global Commitment fund	<u>409,461</u>
Total	120,312,371

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

Personal services	4,896,594
Operating expenses	<u>1,329,284</u>
Total	6,225,878
Source of funds	
General fund	4,188,563
Special funds	680,985
Interdepartmental transfers	<u>1,356,330</u>
Total	6,225,878

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

Operating expenses	<u>2,661,618</u>
Total	2,661,618
Source of funds	
General fund	2,240,118
Interdepartmental transfers	<u>421,500</u>
Total	2,661,618

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

Personal services	20,034,378
Operating expenses	8,439,670

Grants	<u>923,524</u>
Total	29,397,572
Source of funds	
General fund	6,883,540
Special funds	701,314
Fish and wildlife fund	10,600,911
Federal funds	9,667,795
Interdepartmental transfers	<u>1,544,012</u>
Total	29,397,572
Sec. B.703 Forests, parks and recreation - administration	
Personal services	923,670
Operating expenses	<u>1,544,702</u>
Total	2,468,372
Source of funds	
General fund	<u>2,468,372</u>
Total	2,468,372
Sec. B.704 Forests, parks and recreation - forestry	
Personal services	6,710,849
Operating expenses	872,648
Grants	<u>1,160,000</u>
Total	8,743,497
Source of funds	
General fund	5,624,772
Special funds	511,000
Federal funds	2,280,669
Interdepartmental transfers	<u>327,056</u>
Total	8,743,497
Sec. B.705 Forests, parks and recreation - state parks	
Personal services	10,725,136
Operating expenses	3,273,814
Grants	<u>120,000</u>
Total	14,118,950
Source of funds	
General fund	641,157
Special funds	<u>13,477,793</u>
Total	14,118,950
Sec. B.706 Forests, parks and recreation - lands administration and recreation	
Personal services	2,284,177
Operating expenses	1,408,591

Grants	<u>2,827,589</u>
Total	6,520,357
Source of funds	
General fund	1,025,494
Special funds	2,190,151
Federal funds	3,082,575
Interdepartmental transfers	<u>222,137</u>
Total	6,520,357
Sec. B.708 Forests, parks and recreation - forest and parks access roads	
Personal services	130,000
Operating expenses	<u>99,925</u>
Total	229,925
Source of funds	
General fund	<u>229,925</u>
Total	229,925
Sec. B.709 Environmental conservation - management and support services	
Personal services	7,618,171
Operating expenses	4,543,203
Grants	<u>158,279</u>
Total	12,319,653
Source of funds	
General fund	2,248,161
Special funds	597,172
Federal funds	1,444,364
Interdepartmental transfers	<u>8,029,956</u>
Total	12,319,653
Sec. B.710 Environmental conservation - air and waste management	
Personal services	16,109,934
Operating expenses	10,203,296
Grants	<u>7,163,707</u>
Total	33,476,937
Source of funds	
General fund	301,826
Special funds	28,941,896
Federal funds	4,047,690
Interdepartmental transfers	<u>185,525</u>
Total	33,476,937
Sec. B.711 Environmental conservation - office of water programs	
Personal services	28,912,366

Operating expenses	7,706,054
Grants	<u>34,868,553</u>
Total	71,486,973
Source of funds	
General fund	8,429,243
Special funds	26,283,274
Federal funds	36,032,470
Interdepartmental transfers	<u>741,986</u>
Total	71,486,973
Sec. B.713 Natural resources board	
Personal services	2,929,837
Operating expenses	<u>352,482</u>
Total	3,282,319
Source of funds	
General fund	673,554
Special funds	<u>2,608,765</u>
Total	3,282,319
Sec. B.714 Total natural resources	
Source of funds	
General fund	34,954,725
Special funds	75,992,350
Fish and wildlife fund	10,600,911
Federal funds	56,555,563
Interdepartmental transfers	<u>12,828,502</u>
Total	190,932,051
Sec. B.800 Commerce and community development - agency of commerce and community development - administration	
Personal services	2,392,723
Operating expenses	939,863
Grants	<u>539,820</u>
Total	3,872,406
Source of funds	
General fund	3,406,417
Federal funds	351,000
Interdepartmental transfers	<u>114,989</u>
Total	3,872,406
Sec. B.801 Economic development	
Personal services	4,678,628
Operating expenses	1,055,724

Grants	<u>8,638,149</u>
Total	14,372,501
Source of funds	
General fund	5,065,846
Special funds	2,905,350
Federal funds	3,932,132
Interdepartmental transfers	<u>2,469,173</u>
Total	14,372,501
Sec. B.802 Housing and community development	
Personal services	5,321,306
Operating expenses	673,807
Grants	<u>76,513,512</u>
Total	82,508,625
Source of funds	
General fund	4,065,708
Special funds	7,204,966
Federal funds	68,364,457
Interdepartmental transfers	<u>2,873,494</u>
Total	82,508,625
Sec. B.806 Tourism and marketing	
Personal services	2,097,922
Operating expenses	11,900,488
Grants	<u>50,000</u>
Total	14,048,410
Source of funds	
General fund	3,490,357
Federal funds	10,483,053
Interdepartmental transfers	<u>75,000</u>
Total	14,048,410
Sec. B.808 Vermont council on the arts	
Grants	<u>859,445</u>
Total	859,445
Source of funds	
General fund	<u>859,445</u>
Total	859,445
Sec. B.809 Vermont symphony orchestra	
Grants	<u>141,087</u>
Total	141,087
Source of funds	

General fund	<u>141,087</u>
Total	141,087
Sec. B.810 Vermont historical society	
Grants	<u>1,015,470</u>
Total	1,015,470
Source of funds	
General fund	<u>1,015,470</u>
Total	1,015,470
Sec. B.811 Vermont housing and conservation board	
Grants	<u>99,461,424</u>
Total	99,461,424
Source of funds	
Special funds	22,473,849
Federal funds	<u>76,987,575</u>
Total	99,461,424
Sec. B.812 Vermont humanities council	
Grants	<u>234,829</u>
Total	234,829
Source of funds	
General fund	<u>234,829</u>
Total	234,829
Sec. B.813 Total commerce and community development	
Source of funds	
General fund	18,279,159
Special funds	32,584,165
Federal funds	160,118,217
Interdepartmental transfers	<u>5,532,656</u>
Total	216,514,197
Sec. B.900 Transportation - finance and administration	
Personal services	14,996,787
Operating expenses	4,843,354
Grants	<u>50,000</u>
Total	19,890,141
Source of funds	
Transportation fund	18,569,701
Federal funds	<u>1,320,440</u>
Total	19,890,141

Sec. B.901 Transportation - aviation

Personal services	3,930,770
Operating expenses	5,346,224
Grants	<u>222,000</u>
Total	9,498,994
Source of funds	
Transportation fund	5,693,133
Federal funds	<u>3,805,861</u>
Total	9,498,994

Sec. B.902 Transportation - buildings

Operating expenses	<u>2,050,000</u>
Total	2,050,000
Source of funds	
Transportation fund	850,000
TIB fund	<u>1,200,000</u>
Total	2,050,000

Sec. B.903 Transportation - program development

Personal services	67,084,877
Operating expenses	317,718,748
Grants	<u>28,106,566</u>
Total	412,910,191
Source of funds	
Transportation fund	63,006,826
TIB fund	16,199,908
Federal funds	330,355,267
Interdepartmental transfers	75,000
Local match	<u>3,273,190</u>
Total	412,910,191

Sec. B.904 Transportation - rest areas construction

Personal services	150,000
Operating expenses	<u>268,416</u>
Total	418,416
Source of funds	
Transportation fund	41,842
Federal funds	<u>376,574</u>
Total	418,416

Sec. B.905 Transportation - maintenance state system

Personal services	44,709,478
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Operating expenses	<u>59,736,553</u>
Total	104,446,031
Source of funds	
Transportation fund	103,700,216
Federal funds	645,815
Interdepartmental transfers	<u>100,000</u>
Total	104,446,031
Sec. B.906 Transportation - policy and planning	
Personal services	4,767,663
Operating expenses	1,035,700
Grants	<u>10,784,247</u>
Total	16,587,610
Source of funds	
Transportation fund	3,217,573
Federal funds	13,314,762
Interdepartmental transfers	<u>55,275</u>
Total	16,587,610
Sec. B.907 Transportation - rail	
Personal services	4,662,380
Operating expenses	30,650,803
Grants	<u>50,000</u>
Total	35,363,183
Source of funds	
Transportation fund	14,201,368
Federal funds	18,015,401
Interdepartmental transfers	2,985,206
Local match	<u>161,208</u>
Total	35,363,183
Sec. B.908 Transportation - public transit	
Personal services	5,369,937
Operating expenses	103,704
Grants	<u>39,065,637</u>
Total	44,539,278
Source of funds	
Transportation fund	4,108,577
Federal funds	40,390,701
Interdepartmental transfers	<u>40,000</u>
Total	44,539,278

Sec. B.909 Transportation - central garage

Personal services	4,847,286
Operating expenses	<u>17,906,809</u>
Total	22,754,095
Source of funds	
Internal service funds	<u>22,754,095</u>
Total	22,754,095

Sec. B.910 Department of motor vehicles

Personal services	27,635,785
Operating expenses	<u>12,106,049</u>
Total	39,741,834
Source of funds	
Transportation fund	37,942,872
Federal funds	1,657,266
Interdepartmental transfers	<u>141,696</u>
Total	39,741,834

Sec. B.911 Transportation - town highway structures

Grants	<u>7,200,000</u>
Total	7,200,000
Source of funds	
Transportation fund	<u>7,200,000</u>
Total	7,200,000

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

Personal services	371,731
Operating expenses	<u>42,750</u>
Total	414,481
Source of funds	
Transportation fund	114,481
Federal funds	<u>300,000</u>
Total	414,481

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

Grants	<u>8,600,000</u>
Total	8,600,000
Source of funds	
Transportation fund	<u>8,600,000</u>
Total	8,600,000

Sec. B.914 Transportation - town highway bridges

Personal services	15,948,483
Operating expenses	<u>14,365,704</u>
Total	30,314,187
Source of funds	
Transportation fund	1,230,817
TIB fund	2,402,455
Federal funds	25,529,514
Local match	<u>1,151,401</u>
Total	30,314,187

Sec. B.915 Transportation - town highway aid program

Grants	<u>27,837,624</u>
Total	27,837,624
Source of funds	
Transportation fund	<u>27,837,624</u>
Total	27,837,624

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

Grants	<u>128,750</u>
Total	128,750
Source of funds	
Transportation fund	<u>128,750</u>
Total	128,750

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

Grants	<u>1,150,000</u>
Total	1,150,000
Source of funds	
Transportation fund	<u>1,150,000</u>
Total	1,150,000

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

Grants	<u>180,000</u>
Total	180,000
Source of funds	
Transportation fund	20,000
Federal funds	<u>160,000</u>
Total	180,000

Sec. B.919 Transportation - municipal mitigation assistance program

Operating expenses	265,000
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Grants	<u>6,185,498</u>
Total	6,450,498
Source of funds	
Transportation fund	705,000
Special funds	4,317,498
Federal funds	<u>1,428,000</u>
Total	6,450,498
Sec. B.920 Transportation - public assistance grant program	
Operating expenses	200,000
Grants	<u>1,050,000</u>
Total	1,250,000
Source of funds	
Special funds	50,000
Federal funds	1,000,000
Interdepartmental transfers	<u>200,000</u>
Total	1,250,000
Sec. B.921 Transportation board	
Personal services	169,595
Operating expenses	<u>21,367</u>
Total	190,962
Source of funds	
Transportation fund	<u>190,962</u>
Total	190,962
Sec. B.922 Total transportation	
Source of funds	
Transportation fund	298,509,742
TIB fund	19,802,363
Special funds	4,367,498
Federal funds	438,299,601
Internal service funds	22,754,095
Interdepartmental transfers	3,597,177
Local match	<u>4,585,799</u>
Total	791,916,275
Sec. B.1000 Debt service	
Operating expenses	<u>76,877,244</u>
Total	76,877,244
Source of funds	
General fund	76,375,109
Transportation fund	502,135

TIB debt service fund	<u>0</u>
Total	76,877,244

Sec. B.1001 Total debt service

Source of funds	
General fund	76,375,109
Transportation fund	502,135
TIB debt service fund	<u>0</u>
Total	76,877,244

Sec. B.1100 FISCAL YEAR 2023 ONE-TIME GENERAL FUND
APPROPRIATIONS

(a) In fiscal year 2023, funds are appropriated from the General Fund for new and ongoing initiatives as follows:

(1) \$220,000 to the Agency of Administration for the Inclusion, Diversity, Equity, Action, Leadership (IDEAL) VT initiative to support municipalities in promoting these values within their communities.

(2) \$37,000 to the Ethics Commission to support the cost of one half-time position.

(3) \$205,000 to the Sergeant at Arms to support the costs associated with transitioning positions in the Capitol Police Department.

(4) \$120,000 to the Judiciary for Sustaining Language Access Program improvements.

(5) \$1,283,400 to the Office of the Defender General to support costs associated with the reopening of the courts.

(6) \$700,000 to the Secretary of State as follows:

(A) \$450,000 for election support.

(B) \$250,000 to support operational expenditures not covered by revenue resulting from telehealth.

(7) \$2,408,000 to the Agency of Agriculture, Food and Markets, as follows:

(A) \$1,000,000 for the development of an agricultural Payment for Ecosystems Services Program to support the work of the Payment for Ecosystem Services and Soil Health Working Group (PES WG) – as authorized by 2019 Acts and Resolves No. 83, amended by 2020 Acts and Resolves No. 129 and 2021 Acts and Resolves No. 47 – to enable Payment for Ecosystem Services Program development to retain facilitation services,

contract identified research needs, fund pilot program development, and deliver payments to farmers for quantified ecosystem services.

(B) \$200,000 to grant as a single-source contract to an eligible entity to administer these funds to assist individuals with low-income to access local, fresh, or whole food at farmers' markets and through Community Supported Agriculture (CSA) shares. This one-time appropriation will respond to the record demand in these fresh food access programs due to increased food insecurity experienced by Vermonters during the pandemic. The Agency shall allow a primary care health provider to apply on behalf of up to 20 patients for whom CSA shares have been recommended for improved health.

(C) \$420,000 for the purchase of laboratory equipment to test for per- and Polyfluoroalkyl Substances (PFAS) in drinking water to support public health testing requirements of the Agencies of Natural Resources, Transportation and Agriculture, Food and Markets.

(D) \$90,000 for grants to State fairs and field days organizations.

(E) \$300,000 of which \$200,000 is to establish a grant program for organic milk farmers that are transitioning to a new buyer to assist with the costs of modifications needed to accommodate the new buyer and \$100,000 to the Produce Safety Improvement grant program.

(F) \$150,000 to contract with an eligible consultant for the development of a State Food Security Action Plan that will include a strategy to improve the resilience of the statewide food system in order to better meet the food needs of citizens of Vermont during times of disruption to the national food distribution chain caused by emergencies such as the COVID-19 pandemic.

(G) \$248,000 for a grant to the Conservation Districts for equipment and capital improvements.

(8) \$1,512,636 to the Center for Crime Victims Services as follows:

(A) \$660,000 to replace shortfall in special fund revenue relating to fines and fees from the courts and traffic tickets.

(B) \$519,600 to replace declining federal Victims of Crime Act (VOCA) funds.

(C) \$308,036 for a grant to the Vermont Network Against Domestic and Sexual Violence.

(D) \$25,000 to support Kurn Hattin Survivors.

(9) \$150,000 to the Criminal Justice Council for the following:

(A) \$100,000 for an incident simulator to enable de-escalation training.

(B) \$50,000 for the development of a new entrance exam.

(10) \$8,000,000 to the Department of Public Safety- Emergency Management to provide state match for FEMA funds to purchase properties identified for high flood risk.

(11) \$1,180,000 to the Department for Children and Families for the following:

(A) \$50,000 for a grant to the Vermont Donor Milk Center for statewide activities.

(B) \$750,000 to the Parent Child Centers for upgrades to facilities, systems, or new equipment.

(C) \$180,000 to be granted to the Vermont Food Bank for statewide provision of diapers to families in need.

(D) \$200,000 to be granted to the five youth service provider organizations (Youth Services Inc., St. Johnsbury Area Youth Services Bureau, Washington County Youth Services Bureau, Windsor County Youth Services, and Spectrum Youth and Family Services) that currently have contracts with the Department of Health and the Department for Children and Families. Each organization shall receive a grant of \$20,000 and the remaining funds shall be granted to each organization in an equitable manner after consultation with the organizations and consideration of the scope of services by each organization.

(12) \$3,645,250 for Substance Use Disorder Prevention Investments within the Agency of Human Services as follows:

(A) \$3,000,000 to the Department of Health, Office of Alcohol and Drug Abuse Programs for a grant to the substance Misuse Prevention Coalitions. The Office of Alcohol and Drug Abuse Programs (ADAP) shall require that, as part of the grant agreement with the Substance Misuse Prevention Coalitions, information on the use of the funds, including the specific activities supported by the funds; a description of the number of people served; and information on the outcomes achieved by this investment be provided to ADAP in an agreed upon time frame. The ADAP shall report to the House and Senate Committees on Appropriations, the House Committee on Human Services, and the Senate Committee on Health and Welfare on or before January 10, 2023.

(i) It is the intent of the General Assembly that funding for the Substance Misuse Prevention Coalitions be funded with one-time general

funds until funds from the cannabis excise tax revenues pursuant to 32 V.S.A. § 7909 become available.

(B) \$100,000 to the Department of Health, Office of Alcohol and Drug Abuse Programs for a grant to the Jenna's House program. The grant is in addition to \$400,000 of base funding provided in Sec. B. 313 of this act.

(C) \$50,000 to the Department of Health – Public Health, for a grant to the University of Vermont's Comprehensive Care Clinic for HIV/AIDS for increased mental health counseling.

(D) \$345,250 to the Department of Disabilities, Aging, and Independent Living – Vocational Rehabilitation to fund two-year Employment Assistance Center pilot programs to serve Recovery Center clients.

(i) \$270,250 shall be to establish a two-year pilot program in collaboration with the Burlington Recovery Center. Funds may be granted to the Vermont Association of Business Industry and Rehabilitation to fund a dedicated employment consultant position for this pilot program. The Division of Vocational Rehabilitation is authorized to establish two limited service positions for this pilot program: one employment counselor and one employment assistance staff position, which is anticipated to be half time.

(ii) \$75,000.00 to establish a second pilot program at one of the other recovery centers in the State. The division of Vocational Rehabilitation is authorized to establish one limited-service employment counselor position for this pilot.

(iii) On or before January 10, 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, on Appropriations, and on Human Services and to the Senate Committees on Economic Development, Housing and General Affairs, on Appropriations, and on Health and Welfare summarizing the effectiveness of the pilot programs, including:

(I) educational attainment and achievement of program recipients;

(II) acquisition of a credential of value pursuant to 10V.S.A. § 546;

(III) number of job placements; and

(IV) job retention rates.

(E) \$150,000 to the Department of Health's Division of Alcohol and Drug Abuse Programs to award a grant to a Burlington/Chittenden county-

based organization providing substance use treatment counseling or substance use recovery support, or both, for individuals within and transitioning out of the criminal justice system. The Division shall award grants based on an applicant's ability to accomplish the following:

(i) provide justice-involved individuals with direct substance use support services while incarcerated, such as through alcohol and drug abuse counselors licensed pursuant to 26 V.S.A. chapter 62 or certified recovery coaches, or both;

(ii) support justice-involved individuals in their transition out of incarceration, such as through warm handoffs to existing statewide resources for substance use treatment or recovery; or

(iii) provide long-term support for justice-involved individuals, such as by coordinating peer support services or ongoing counseling post incarceration.

(13) \$1,215,860 to the Agency of Education as follows:

(A) \$500,000 for Child Nutrition Grants to school districts to purchase local foods.

(B) \$15,860 to the Vermont Ethnic and Social Equity Standards Advisory Working Group to cover per diem and reimbursement of expenses.

(C) \$700,000 to Adult Education and Literacy to provide grants to the Adult Learning Centers.

(14) \$67,000 to the Attorney General for the Court Diversion program to replace special fund shortfall.

(15) \$325,000 to the Agency of Natural Resources for the following:

(A) \$75,000 to the Central Office for contractual support to complete work associated with implementing the Global Warming Solutions Act of 2020.

(B) \$250,000 to the Department of Environmental Conservation to complete statewide wetland mapping updates and to update the Vermont Significant Wetland Inventory maps.

(16) \$130,000 to the Agency of Commerce and Community Development for a grant to the Vermont Adaptive Ski and Sports program.

(17) \$500,000 to the Agency of Human Services, Central Office for the Vermont Refugee Resettlement program to provide aid to refugees.

(18) \$1,500,000 to the Department of Disabilities, Aging, and Independent Living (DAIL) to be used for grants to adult day service providers

to support operating costs and program infrastructure. The funds shall be allocated on an equitable basis per a methodology developed by DAIL. On or before the first day of each quarter of fiscal year 2023 (July 1, 2022, October 1, 2022, January 1, 2023, and April 1, 2023), the Vermont Association of Adult Day Services shall provide a spreadsheet to the Department detailing quarterly expenditures versus the annual budget. DAIL shall work with community partners to seek organizations interested in opening an adult day center in the underserved regions where adult day centers closed during the COVID-19 pandemic. Up to \$50,000 of these funds may be used to support the start-up costs of a new adult day center. Any amount of this appropriation remaining at the end of fiscal year 2023 shall be carried forward and shall be used to support operating costs, and program infrastructure.

(19) \$250,000 to the Agency of Commerce and Community Development for a grant to the Vermont League of Cities and Towns to provide technical assistance to towns related to seeking or expending federal funds.

(20) \$267,364 to the Department of Taxes for appraisal and litigation costs associated with the Sheldon Springs Hydroelectric Dam.

(21) \$600,000 to the Department of Public Service for Public Access, Education, and Government Media to fund the 24 media centers.

(22) \$450,000 to the Vermont Historical Society for HVAC systems.

(23) \$50,000 to the Department of Buildings and General Services to be granted to the Mount Ascutney Regional Commission to hire a consultant to facilitate community discussions on the use of the former Southeast State Correctional Facility property in Windsor to enable work, education, and health monitoring; to create base maps; and to conduct a legal analysis.

(b) \$11,000,000 is appropriated from the General Fund to the Department of Public Safety for regional dispatch funding. The funds are subject to the following conditions:

(1) \$4,500,000 shall be held in reserve until the report required by Sec. E.209.1 of this act is submitted and further approval to expend the funds is granted by the General Assembly.

(2) \$6,500,000 to provide grants to regional dispatch facilities upon approval of the Joint Fiscal Committee subsequent to review of a Regional Dispatch Facility grant plan submitted by the Commissioner of Public Safety. The plan shall include the extent to which federal funding sources may be available for regional dispatch.

(c) \$10,000,000 is appropriated from the General Fund to the Agency of Administration for State Employees fiscal year 2023 transitional employer contribution to be distributed as needed to departments and agencies if approved by the Commissioner of Finance and Management to fund the fiscal year 2023 payroll assessment necessary to meet the State employees' pension and other post-employment benefits resulting from any changes to these programs enacted in the 2022 legislative session. The Commissioner shall report to the Joint Fiscal Committee at its November 2022 meeting on the status of this appropriation.

* * * Fiscal Year 2022 Adjustments, Appropriations, and Amendments * * *

Sec. C.100 2021 Acts and Resolves No. 74, Sec. D.101(b)(2) is amended to read:

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

* * *

62100	Unclaimed Property Fund	\$3,027,750.00	\$4,106,300.00
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Sec. C.101 2021 Acts and Resolves No. 74, Sec. E.602.2 is amended to read:

Sec. E.602.2 VERMONT STATE COLLEGES

(a) The Vermont State College (VSC) system shall transform itself into a fully integrated system that achieves financial stability in a responsible and sustainable way in order to meet each of these strategic priorities:

(1) Affordability. Ensure that student costs and debt obligations are not barriers to student access.

(2) Accessibility. Ensure that each VSC student, regardless of where the student's home campus is located, has increased access to academic opportunities, majors and courses across the statewide system.

(3) Equitability. Determine the extent to which gaps in educational access and success are being reduced for students from economically deprived backgrounds, first-generation students, students of color, and other marginalized groups.

~~(3)~~(4) Relevance.

(A) Ensure that each VSC student is prepared for a lifelong career and personal success in the globally competitive 21st century.

(B) Ensure that VSC offers educational programs that are:

(i) aligned with State workforce needs;

(ii) offered in a fiscally responsible manner; and

(iii) delivered in a manner that is relevant to current student and employer needs.

(b) VSC shall meet the following requirements during the transformation of its system required under subsection (a) of this section and shall accommodate the oversight of the General Assembly in so doing.

(1) VSC shall reduce its structural deficit by \$5,000,000.00 per year ~~for five years~~ through a combination of annual operating expense reductions and increased enrollment revenues, for a total of \$25,000,000.00 by the end of fiscal year 2026. These reductions shall be structural in nature and shall not be met by use of one-time funds. The VSC Board of Trustees, through the Chancellor or designee, shall report the results of these structural reductions to the House and Senate Committees on Education and on Appropriations annually during the Chancellor's budget presentation.

(2) The VSC Board of Trustees shall develop and implement a 10-year strategic plan for managing its physical assets that is fiscally sustainable, maintains reasonable net asset value, and meets the needs of Vermont learners. ~~On or before March 1, 2022, the Chancellor shall present this Board approved plan~~ Updates to the plan and an annual report on its implementation shall be presented to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

(3) VSC shall maintain its present campus locations as educational and student-support centers, recognizing that overall campus size, governance and operational structures as well as program and service offerings may change as circumstances require.

(4) Beginning in fiscal year 2022 and through 2031, the VSC Board of Trustees, acting through the Chancellor or designee, shall brief, as part of the Chancellor's annual budget proposal, the House and Senate Committees on Education and Committees on Appropriations:

(A) enrollment levels in courses offered by VSC, reported on the basis of courses with fewer than five students, courses with five to nine students, courses with 10 to 14 students, and courses with 15 or more students, along with relevant information about these enrollment data;

(B) in order to demonstrate accessibility, the percentage of courses and programs offered by VSC on a statewide basis and on the formats in which they are offered;

(C) an assessment of affordability and accessibility within VSC and recommendations on how to improve them;

(D) retention statistics with corresponding trend lines and benchmarks;

(E) enrollment statistics with methods of comparison using readily available metrics that pertain to the student enrollment efforts authorized by the current fiscal year ~~2022~~ Vermont budget bill with the net student revenue generated and discount rate applied in order to enroll the students, aggregated by cohort; and

* * *

Sec. C.102 2022 Acts and Resolves No. 83, Sec. 53 is amended to read

Sec. 53. FISCAL YEAR 2022 UNALLOCATED RESERVE

(a) After satisfying the requirements of 32 V.S.A. § 308, and after other reserve requirements have been met, but prior to satisfying the requirements of 32 V.S.A. § 308c, the first \$86,000,000 of remaining unreserved and undesignated funds at the close of fiscal year 2022 shall remain in the General Fund and be carried forward to fiscal year 2023. These funds may be used to provide state match to the federal Infrastructure Investment and Jobs Act.

(b) After meeting the requirements of subsection (a) of this section, but prior to satisfying the requirements of 32 V.S.A. § 308c, the remaining unreserved and undesignated funds at the close of fiscal year 2022 shall be allocated to the extent available as follows:

(1) \$850,000 shall be transferred to the to the Cannabis Regulation Fund (21998).

(2) \$1,700,000 to the State Liability Self-Insurance Fund (56200).

(3) ~~\$1,877,092~~ \$1,900,000 to the Correctional Industries Internal Services Fund (59100).

(4) ~~\$9,961,531~~ \$10,000,000 to the Agency of Human Services-Central Office-Global Commitment to offset one-time pressure related to the suspension of Medicaid eligibility redeterminations for fiscal year 2023. This appropriation is made to the extent the Global Commitment fiscal need is identified after analysis of the impact of continued enhanced pandemic related Federal Medical Assistance Percentage (FMAP) in tandem with the updated analysis on the fiscal impact related to caseload redetermination and cost per

member per month. The Agency of Human Services, in consultation with the Joint Fiscal Office and the Department of Finance and Management shall provide this analysis as part of the Medicaid end-of-year report provided the Emergency Board in July 2022.

(5) ~~\$25,000,000 is reserved and carried forward into fiscal year 2023 to improve the debt position of the State. This may include the redemption of general obligation bonds, reducing the amount of new debt to be issued or to address negative internal fund balances. To the extent funds are available they shall be applied and shall be allocated as follows:~~

(A) \$5,000,000 shall be transferred to the Property Management Fund (58700) established by 29 V.S.A. § 160.

(B) \$20,000,000 shall be appropriated to the State Treasurer's Office and used for redeeming State of Vermont general obligation bonds prior to maturity. Notwithstanding 32 V.S.A. § 1001b(e), beginning in fiscal year 2024, to the extent bonds are redeemed, an amount equal to the reduction in payments for debt service required resulting from any redemption shall be transferred and reserved in the Capital Expenditure Cash Fund, as established in 32 V.S.A. § 1001b created in Sec. E.106.1 of this act.

(6) \$6,000,000 to the Department for Children and Families to be granted to childcare providers to address emergent and exigent circumstances following the COVID-19 pandemic for workforce retention bonuses to retain early childhood staff and home-based providers. It is the intent of the General Assembly that the eligible employers awarded funds pursuant to this section shall use the funds to make retention payments to their employees. The employers shall be afforded flexibility in determining how best to provide the financial retention assistance to their employees and how best to encourage employment beyond the terms of this program.

(i) The Department is authorized to establish parameters related to minimum hours worked for an employee or home-based provider to be eligible for a bonus under this subdivision (30), and to design a program that does not allow for duplication of bonuses to staff who work for more than one provider. Staff under a teacher contract shall not be eligible for this program.

(ii) Notwithstanding any provision of Vermont law to the contrary and to the extent permitted under federal law, the amount of a recruitment or retention payment received by an employee under this section shall be disregarded for purposes of determining the employee's or employee's household's income eligibility for any benefit program.

(7) \$9,600,000 is appropriated to the Judiciary, of which \$3,880,000 is for the reopening of the courts and \$5,720,000 is to replace HVAC in county court houses.

(8) \$10,000,000 to Vermont Housing Conservation Board for housing development.

(9) \$2,000,000 is transferred to the Workers' Compensation Fund (56100)

(10) \$15,000,000 reserved for the Department for Children Families emergency or transitional housing needs in the event federal emergency rental assistance funds are insufficient to meet needs in fiscal year 2023.

(11) \$50,250,000 is transferred to the Technology Modernization Special Fund created in Sec. E.105.1 of this act.

(12) \$25,000,000 shall be transferred to the Capital Expenditure Cash Fund, as established in 32 V.S.A. § 1001b created in Sec. E.106.1 of this act.

(c) After meeting the requirements of subsections (a) and (b) of this section, but prior to satisfying the requirements of 32 V.S.A. § 308c, the remaining unreserved and undesignated funds at the close of fiscal year 2022 shall remain in the General Fund and be carried forward to fiscal year 2023.

Sec. C.102.1 [Deleted.]

Sec. C.103 2021 Acts and Resolves No. 74, Sec G.300(a) as amended by 2022 Acts and Resolves No. 83, Sec. 68 is further amended to read:

(a) \$187,114,176 \$181,114,176 in fiscal year 2022 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds as follows:

* * *

(7) \$2,000,000 in fiscal year 2022 to the University of Vermont.

(A) \$1,000,000 for matching funds for research grant opportunities related to COVID-19.

(B) \$1,000,000 to provide up to two free classes in calendar year 2022 for any Vermont resident who is seeking to transition to a new career or to enhance the resident's job skills.

(8) \$19,700,000 in fiscal year 2022 to the Vermont State Colleges for the following programs; funds shall be carried forward until expended:

(A) \$2,000,000 to provide funding for up to six credits or two courses in the 2022–2023 academic year, including wraparound services for Vermonters whose employment was impacted by the COVID-19 public health

emergency since March 13, 2020. The wraparound services may also be provided to students who enroll in six credit hours or two courses in the summer or fall of 2021 and spring of 2022 pursuant to 2021 Acts and Resolves No. 9, Sec. 18.

(B) \$3,000,000 to provide degree completion scholarships for up to 30 credits towards a credential of value for adult learners who have earned at least 40 credits towards an undergraduate degree and have a gap in attendance of at least two years.

(C) \$14,700,000 to provide free last dollar tuition for one year of undergraduate studies for critical occupation careers, including bookkeeping certificate, IT service desk specialist certificate, certified production technician, graphic design certificate, software and web development program, electrical and plumbing apprenticeships, dental hygiene, certificate in accounting, small business management, radiologic science, and respiratory therapy. \$540,000 of these funds shall be allocated for paramedic/EMS programs and any unexpended amount of this allocation shall be available for the broader purpose in this subdivision (C). Funds may be used for practical nursing, ~~childeare~~ child care, nursing, ~~and~~ mental health counseling, ~~and~~ psychology and social work programs only after available federal and State financial aid is applied to ensure no cost to the student. Of this amount, \$7,350,000 shall be carried forward for the 2022–2023 school year. If demand from undergraduates is met, then funds may be used to pay for tuition for the following graduate programs:

- (i) ~~Master~~ Master's in Education (all programs);
- (ii) ~~Master~~ Master's in Educational Leadership;
- (iii) ~~Master~~ Master's of Arts and ~~Certificate~~ of Advanced Graduate Studies in ~~School~~ Psychology;
- (iv) ~~Masters~~ Master's in Counseling; and
- (v) ~~Masters~~ Master's in Clinical Mental Health Counseling; and
- (vi) Master's in Clinical Social Work.

* * *

~~(30) \$6,000,000 to the Department for Children and Families to be granted to childeare providers to address emergent and exigent circumstances following the COVID-19 pandemic for workforce retention bonuses to retain early childhood staff and home-based providers. It is the intent of the General Assembly that the eligible employers awarded funds pursuant to this section shall use the funds to make retention payments to their employees. The employers shall be afforded flexibility in determining how best to provide the~~

~~financial retention assistance to their employees and how best to encourage employment beyond the terms of this program.~~

~~(A) The Department is authorized to establish parameters related to minimum hours worked for an employee or home-based provider to be eligible for a bonus under this subdivision (30), and to design a program that does not allow for duplication of bonuses to staff who work for more than one provider. Staff under a teacher contract shall not be eligible for this program.~~

~~(B) Notwithstanding any provision of Vermont law to the contrary and to the extent permitted under federal law, the amount of a recruitment or retention payment received by an employee under this section shall be disregarded for purposes of determining the employee's or employee's household's income eligibility for any benefit program.~~

* * *

Sec. C.104 FISCAL YEAR 2022 AND FISCAL YEAR 2023; OUT-OF-STATE BEDS SAVINGS; APPROPRIATION

(a) In fiscal year 2022, \$360,140 of the amount appropriated in 2021 Acts and Resolves No. 74, Sec. B.339 (correctional services for out-of-state beds) shall be allocated as follows:

(1) \$300,000 to the Department of Corrections to expand and eliminate participant fees for community-based domestic violence intervention programming and to create domestic violence intervention programming and curricula for lesbian, gay, bisexual, transgender, queer, or questioning (LGBTQ) individuals; and

(2) \$60,140 for Offender Management System/data system improvements.

(b) In fiscal year 2022, \$417,030 of the amount appropriated in 2021 Acts and Resolves No. 74, Sec. B.338 (correctional services) shall be used for community justice centers.

Sec. C.105 2022 Acts and Resolves No. 83, Sec. 72a is amended to read:

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

(a) Pursuant to Sec. 9817 of the American Rescue Plan Act (ARPA), in ~~October 2021~~ February 2022, the State submitted a home- and community-based services (HCBS) spending plan to the Centers for Medicare and Medicaid Services. This plan currently totals ~~\$146,600,000~~ \$149,550,122, consisting of the following major components:

(1) ~~\$77,800,000~~ \$77,839,612 allocated to improve services;

(2) ~~\$25,000,000~~ \$20,258,042 allocated to promote a high-performing and stable HCBS workforce; and

(3) ~~\$43,800,000~~ \$51,452,468 allocated to improve HCBS care through data systems, value-based payment models, and oversight.

* * *

(e) In fiscal year 2023, a total of \$71,239,891 is appropriated from the Global Commitment Fund to AHS to meet the objectives of the HCBS plan. This appropriation consists of \$17,136,654 as appropriated in 2021 Acts and Resolves No. 74 for a three percent rate increase to HCBS providers, including the assistive community care rates and children integrated services rates, and the following appropriations in distinct one-time departmental IDs:

(1) \$23,510,987 is appropriated to the Agency of Human Services – Secretary’s Office.

(2) \$10,500,000 is appropriated to the Department of Disabilities, Aging, and Independent Living.

(3) \$1,500,000 is appropriated to the Department of Mental Health.

(4) \$17,000,000 is appropriated to the Department of Vermont Health Access.

(5) \$1,500,000 is appropriated to the Department of Health.

(6) \$92,250 is appropriated to the Department for Children and Families.

(f) The Global Commitment Fund appropriated in subsection (e) of this section may be obligated in fiscal year 2023 for the purposes of bringing HCBS plan spending authority forward into fiscal year 2024. The funds appropriated in subsections (b), (c), and (e) of this section may be transferred on a net-neutral basis in fiscal year 2023 in the same manner as the Global Commitment appropriations in Sec. E.301 of this act. The Agency shall report to the Joint Fiscal Committee in September 2023 on transfers of appropriations made and final amounts expended by each department in fiscal year 2023 and any obligated funds carried forward to be expended in fiscal year 2024.

Sec. C.106 CANNABIS CONTROL BOARD; PHASE I SYSTEM

(a) In fiscal year 2022, the amount of \$760,000 is transferred from the General Fund to the Cannabis Regulation Fund (21998) to support phase one of the online registration, licensing, and business application portal.

(b) At the close of fiscal year 2022, \$700,000 is reserved in the General Fund for health care and social service workforce needs. The Agency of Administration in consultation with the Agency of Human Services shall provide recommendations to the General Assembly for the of these one-time funds in the fiscal year 2024 budget proposal.

Sec. C.108 DEPARTMENT OF LABOR; TRADE APPRENTICESHIP
EXPENSE REIMBURSEMENT; PROGRAM EXPANSION

(a) Up to \$1,000,000 of the funds appropriated in 2021 Acts and Resolves No. 74, Sec. G.300(a)(6) may be carried forward by the Vermont Department of Labor and used to reimburse Vermont employers for costs incurred for work tools and personal protective equipment for new apprentices and for expansion of registered apprenticeship programs and participants. Employers may be reimbursed up to \$300 for tools per apprentice.

Sec. C.109 [Deleted.]

Sec. C.110 ONE-TIME TOBACCO FUND APPROPRIATION;
SUBSTANCE MISUSE AND PREVENTION COALITIONS

(a) In fiscal year 2023, funds are appropriated from the Tobacco Fund to the Department of Health, Office of Alcohol and Drug Abuse Programs (ADAP) and shall be carried forward in fiscal year 2023 as follows:

(1) \$1,000,000 for substance use disorder (SUD) and tobacco prevention and cessation activities. Substance Misuse and Prevention Coalitions and tobacco cessation programs that target youth vaping may apply for funding. The Commissioner of ADAP shall determine levels of funding to award to applicants.

(A) The Office of ADAP shall require that, as part of the grant agreement with the Substance Misuse Prevention Coalitions, information on the use of the funds including the specific activities supported by the funds, a description of the number of people served, and information on the outcomes achieved by this investment be provided to ADAP in an agreed-upon time frame. The ADAP shall report on these metrics to the House and Senate Committees on Appropriations, the House Committee on Human Services, and the Senate Committee on Health and Welfare on or before January 10, 2023.

(2) \$350,000 for statewide AIDS Service Organizations for HIV/AIDS prevention and syringe exchange programs. Of this amount, \$150,000 shall be granted to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for syringe exchange programs, and \$200,000 shall be granted to the Howard Center's Safe Recovery program. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health, the Vermont AIDS service organizations, and other Vermont HIV/AIDS prevention providers.

Sec. C.111 2021 Acts and Resolves No. 74, Sec. E.335 as amended by 2022 Acts and Resolves No. 83, Sec. 62, is further amended by adding a subsection (c) to read:

(c) Any funds expended on community-based service programs pursuant to subsection (b) of this section shall be included in the subsequent year Department of Corrections budget for the same purpose at the same amount.

Sec. C.112 2021 Acts and Resolves No. 74, Sec. B.1106(a)(1)(C) is amended to read:

(C) \$14,400,000 for distribution to departments to fund the annual increase in the Vermont State Employee Retirement Systems (VSERS) Actuarially Determined Employer Contribution (ADEC). Amounts not distributed shall be transferred to the Vermont State Retirement Fund (60100) in the fiscal year 2022 as needed to meet the fiscal year 2022 ADEC requirement.

Sec. C.113 2021 Acts and Resolves No.74, Sec. D.101(b)(3) is amended to read:

(3) Notwithstanding 2016 Acts and Resolves No. 172, Sec. E.228, ~~\$46,078,618~~ \$47,736,618 of the unencumbered balances in the Insurance Regulatory and Supervision Fund (21075), the Captive Insurance Regulatory and Supervision Fund (21085), and the Securities Regulatory and Supervision Fund (21080) shall be transferred to the General Fund.

Sec. C.114 2021 Acts and Resolves No.74, Sec. B.1106, as amended by 2022 Acts and Resolves No.83, Sec. 46 is further amended read with the insertion of a subsection B.1106(a)(34) as follows:

(34) \$1,658,000 to the Military Department to provide state match for the federal Facilities Sustainment, Restoration, and Modernization (SRM) funds eligible for receipt in fiscal year 2022.

* * * Fiscal Year 2023 Fund Transfers and Reserve Allocations * * *

Sec. D.100 APPROPRIATIONS; PROPERTY TRANSFER TAX

(a) This act contains the following amounts appropriated from special funds that receive revenue from the property transfer tax. Expenditures from these appropriations shall not exceed available revenues.

(1) The sum of \$428,933 is appropriated from the Current Use Administration Special Fund to the Department of Taxes for administration of the Use Tax Reimbursement Program. Notwithstanding 32 V.S.A. § 9610(c), amounts above \$428,933 from the property transfer tax that are deposited into the Current Use Administration Special Fund shall be transferred into the General Fund.

(2) The sum of \$21,128,985 is appropriated from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board.

Notwithstanding 10 V.S.A. § 312, amounts above \$21,128,985 from the property transfer tax and surcharge established by 32 V.S.A. § 9602a that are deposited into the Vermont Housing and Conservation Trust Fund shall be transferred into the General Fund.

(A) The dedication of \$2,500,000 in revenue from the property transfer tax pursuant to 32 V.S.A. § 9610(d) for the debt payments on the affordable housing bond, 10 V.S.A. § 314, is to be offset by the reduction of \$1,500,000 in the appropriation to the Vermont Housing and Conservation Board and \$1,000,000 from the surcharge established by 32 V.S.A. § 9602a. The fiscal year 2023 appropriation of \$21,128,985 to VHCB reflects the \$1,500,000 reduction. The affordable housing bond and related property transfer tax and surcharge provisions are repealed after the life of the bond on July 1, 2039. Once the bond is retired, the \$1,500,000 reduction in the appropriation to VHCB is intended to be restored.

(3) The sum of \$5,882,597 is appropriated from the Municipal and Regional Planning Fund. Notwithstanding 24 V.S.A. § 4306(a), amounts above \$5,882,597 from the property transfer tax that are deposited into the Municipal and Regional Planning Fund shall be transferred into the General Fund. The \$5,882,597 shall be allocated as follows:

(A) \$4,574,417 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) \$872,120 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b); and

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

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

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

(1) From the General Fund to the All Other Insurance Fund (56300): \$1,000,000.

(2) From the General Fund to the Enhanced 911 Special Fund (21711): \$1,300,000.

(3) From the General Fund to the Cannabis Regulation Fund (21998): \$2,540,000.

(4) From the General Fund to the Technology Modernization Special Fund created in Sec. E.105.1 of this act: \$16,760,000.

(5) From the Clean Water Fund (21932) established by 10 V.S.A. § 1388 to the Agricultural Water Quality Special Fund (21933) created under 6 V.S.A. § 4803: \$5,816,111.

(6) From the Clean Water Fund established by 10 V.S.A. § 1388 to the Lake in Crisis Response Program Special Fund (21938) created under 10 V.S.A. § 1315: \$50,000.

(7) From the Transportation Fund to the Downtown Transportation and Related Capital Improvement Fund (21575) established by 24 V.S.A. § 2796 to be used by the Vermont Downtown Development Board for the purposes of the Fund: \$523,966.

(b) Notwithstanding any provisions of law to the contrary, in fiscal year 2023:

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

<u>22005</u>	<u>AHS Central Office earned federal receipts</u>	<u>\$4,641,960</u>
<u>50300</u>	<u>Liquor Control Fund</u>	<u>\$20,400,000</u>
	<u>Caledonia Fair</u>	<u>\$5,000</u>
	<u>North Country Hospital Loan</u>	<u>\$24,047</u>
	<u>Springfield Hospital promissory note repayment</u>	<u>\$121,416</u>

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

<u>21638</u>	<u>AG-Fees & reimbursement – Court order</u>	<u>\$2,000,000</u>
<u>21928</u>	<u>Secretary of State Services Funds</u>	<u>\$1,200,000</u>
<u>62100</u>	<u>Unclaimed Property Fund</u>	<u>\$1,773,425</u>

(3) Notwithstanding 2016 Acts and Resolves No. 172, Sec. E. 228, \$45,664,476 of the unencumbered balances in the Insurance Regulatory and Supervision Fund (21075), the Captive Insurance Regulatory and Supervision Fund (21085), and the Securities Regulatory and Supervision Fund (21080) shall be transferred to the General Fund.

(4) Notwithstanding any provision of law to the contrary, in fiscal year 2023, the following amounts shall revert to the General Fund from the accounts indicated:

<u>1210002000</u>	<u>Legislature</u>	<u>\$205,000</u>
<u>1100030000</u>	<u>Executive Branch Pay Act</u>	<u>\$4,450,000</u>

(c) Notwithstanding any provisions of law to the contrary, in fiscal year 2023 the following estimated General Fund reserves shall be made:

(1) Pursuant to 32 V.S.A. § 308, an estimated amount of \$15,935,255 shall be reserved in the General Fund Budget Stabilization Reserve.

Sec. D.102 27/53 RESERVE

(a) \$3,020,000 from the General Fund shall be reserved in the 27/53 reserve in fiscal year 2022. This action is the fiscal year 2023 contribution to the reserve for the 53rd week of Medicaid as required by 32 V.S.A. § 308e and the 27th payroll reserve as required by 32 V.S.A. § 308e.

Sec. D.103 [Deleted.]

* * * General Government * * *

Sec. E.100 EXECUTIVE BRANCH POSITIONS

(a) The establishment of the following new positions is authorized in fiscal year 2023:

(1) Permanent classified positions:

(A) Agency of Agriculture, Food and Markets - Vermont Agriculture and Environmental Lab: one new VAEL Scientist IV; Chemistry.

(B) Department of Buildings and General Services – Fee for Space:

(i) one BGS Utility Mechanic;

(ii) three BGS Institutional Custodians; and

(iii) one BGS Maintenance Mechanic II.

(C) Department of Disabilities, Aging, and Independent Living's Administration and Support division:

(i) one Survey and Certification Non-clinical Manager;

(ii) three Nurse Surveyors;

(iii) one Administrative Assistant; and

(iv) one Office of Public Guardian Community Financial Specialist.

(D) Department of Mental Health:

- (i) one Suicide Prevention Director;
- (ii) one Quality Control Specialist III;
- (iii) one Staffing Office Manager;
- (iv) five Mental Health Scheduling Coordinators;
- (v) one DMH Psychologist;
- (vi) one DMH Activity Therapist;
- (vii) one Psychiatric Social Worker II;
- (viii) two Food Service Workers;
- (ix) two Cook Cs; and
- (x) one Supervising Chef.

(E) Agency of Education:

- (i) one School Facility Coordinator; and
- (ii) one Communication Coordinator.

(F) Cannabis Control Board:

- (i) two enforcement officers; and
- (ii) one data analyst.

(G) State Treasurer: one Retirement Program Technician.(H) Agency of Natural Resources Central Office:

- (i) one Environmental Analyst VII; and
- (ii) two Environmental Analyst V.

(2) Permanent Exempt Positions:

(A) Vermont Pension Investment Commission: one Principal Assistant.

(b) The conversion of the following limited-service positions to classified permanent status is authorized in fiscal year 2023 as follows:

(1) Department of Vermont Health Access:

(A) DVHA, Business Office Unit – one Financial Manager III;

(B) DVHA, Business Office Unit – one Grants Management Specialist;

(C) DVHA, Contracts & Grants Unit – two Contracts & Grants Administrators;

(D) DVHA, Contracts & Grants Unit – one Financial Manager I;

(E) DVHA, HAEEU – one Assister Program Manager;

(F) DVHA, HAEEU – seven Benefits Program Mentors;

(G) DVHA, HAEEU – two Business Analysts;

(H) DVHA, HAEEU – one Communications & Outreach Coordinator;

(I) DVHA, HAEEU – one Health Care Training/Community Manager;

(J) DVHA, HAEEU – seven Health Program Administrators;

(K) DVHA, HAEEU – three Healthcare Assistant Admin Is;

(L) DVHA, HAEEU – five Healthcare Assistant Admin IIs;

(M) DVHA, HAEEU – one VHC Business Process Coordinator;

(N) DVHA, HAEEU – one VHC Education & Outreach Coordinator;

(O) DVHA, HAEEU – five VHC Support Services Specialists;

(P) DVHA, HAEEU – 16 VT Healthcare Service Specialist Is;

(Q) DVHA, HAEEU – 25 VT Healthcare Service Specialist IIs;

(R) DVHA, HAEEU – five VT Healthcare Service Specialist IIIs;

(S) DVHA, Health Care Appeals Unit – five Fair Hearing Specialists;

(T) DVHA, Health Care Appeals Unit – one Program Technician I;

(U) DVHA, Legal Unit – one Staff Attorney II; and

(V) DVHA, Long Term Care Unit – three Long Term Care Specialist Is.

(2) Department of Forests, Parks and Recreation – Forestry: one Forester III.

(3) State Treasurer: one Financial Manager.

(c) The establishment of the following new classified limited-service positions are authorized in fiscal year 2023 as follows:

(1) Department of Labor: three positions to assist with the UI Modernization project.

(2) Agency of Education:

(A) one Grants Manager; and

(B) three Monitoring Coordinators.

(3) Department of Environmental Conservation:

(A) one Environmental Analyst V.

(4) Department of Motor Vehicles – to support DMV Core Modernization Phase II:

(A) one Purchasing/Inventory & Facilities Specialist III,

(B) two Direct Client Service Specialist I,

(C) one Financial Specialist III, and

(D) one Direct Customer Service Specialist I.

(d) The establishment of the following new classified limited-service positions are authorized in fiscal year July 1, 2022 through December 31, 2024 as follows:

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

(A) ten Deputy State's Attorneys; and

(B) two Administrative Assistants.

(e) The transfer of the following exempt position is authorized in fiscal year 2023 as follows:

(1) From the Agency of Administration to the Office of the Attorney General:

(A) one Staff Attorney III.

(f) The establishment of two additional classified permanent Tax Examiner positions is authorized in the Department of Taxes beginning in fiscal year 2023.

(1) Department of Taxes:

(A) two Tax Examiners.

Sec. E.100.1 2014 Acts and Resolves No. 179, Sec. E.100(d), as amended by 2015 Acts and Resolves No. 4, Sec. 74; 2016 Acts and Resolves No. 172, Sec. E.100.2; 2017 Acts and Resolves No. 85, Sec. E.100.1; 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.100.1; 2020 Acts and Resolves No. 120, Sec. A.7; 2020 Act and Resolves No. 154, Sec. E.100.2; and by 2021 Acts and Resolves No. 74, Sec. E.100.1, is further amended to read:

(d) Position Pilot Program. A Position Pilot is hereby created to assist participating departments in more effectively managing costs of overtime, compensatory time, temporary employees, and contractual work by removing the position cap with the goal of maximizing resources to the greatest benefit of Vermont taxpayers.

(1) Notwithstanding Sec. A.107 of this act, the Agency of Transportation, the Department for Children and Families, the Agency of Natural Resources, the Department of Buildings and General Services, the Department of Labor, the Department of Corrections, ~~and~~ the Department of Public Safety, the Department of State's Attorneys and Sheriffs, and the Vermont Veterans' Home shall not be subject to the cap on positions for the duration of the Pilot.

(A) The Department of Corrections is authorized to add only Correctional Officer I and II positions.

(B) The Department of State's Attorneys and Sheriffs is authorized to add only State's Attorney positions.

(C) The Vermont Veterans' Home is authorized to add direct care positions, including part-time positions. Prior to authorizing positions under subdivision (d)(2) of this section, the Secretary of Administration shall be provided the financial analysis from the Vermont Veterans' Home reviewed by the Commissioner of Finance and Management which demonstrates reduction in the cost of overtime expenses or other expenses equal to or greater than the projected cost of the positions for the current and successive fiscal year of operations.

* * *

(7) This Pilot shall sunset on ~~July 1, 2023~~ July 1, 2025, unless extended or modified by the General Assembly.

(8) ~~On or before January 15, 2019~~ Annually on or before January 15, the Commissioner of Human Resources, in coordination with the Vermont State Employees' Association (VSEA), shall provide a report on the total number of positions created under the authority of this section to the House and Senate Committees on Appropriations. The report shall include a recommendation on whether this program should be expanded and continue and, if so, should it be extended but remain in session law or be made permanent by codification in statute.

Sec. E.100.2 CHIEF PREVENTION OFFICER

(a) The Office of the Chief Prevention Officer shall coordinate all budget and policy initiatives across the full spectrum of the prevention continuum.

Sec. E.100.3 PENSION OVERSIGHT

(a) The Secretary of Administration, in consultation with the State Treasurer, shall study and recommend criteria for a longevity incentive for Group F members of the Vermont State Employees' Retirement System that reduces future employer pension costs. As part of the study, the Secretary shall identify the following:

(1) a baseline of recent member retirement behavior relative to assumptions during the five most recently completed fiscal years;

(2) a method for targeting incentives to encourage more employees to retire at later ages than currently assumed;

(3) the amount and structure of proposed incentives; and

(4) whether additional funds are required to support the proposed incentive program.

(b) On or before December 15, 2022, the Secretary shall submit a report on the study described in subsection (a) of this section to the Joint Public Pension Oversight Committee, and the House and Senate Committees on Appropriations and on Government Operations.

Sec. E.105 3 V.S.A. § 3303 is amended to read:

§ 3303. REPORTING, RECORDS, AND REVIEW REQUIREMENTS

(a) Annual report and budget. The Secretary shall submit to the General Assembly, concurrent with the Governor's annual budget request required under 32 V.S.A. § 306, an annual report for information technology and cybersecurity. The report shall reflect the priorities of the Agency and shall include:

(1) performance metrics and trends, including baseline and annual measurements, for each division of the Agency;

(2) a financial report of revenues and expenditures to date for the current fiscal year;

(3) costs avoided or saved as a result of technology optimization for the previous fiscal year;

(4) an outline summary of information, including scope, schedule, budget, and status for information technology projects with total costs of \$500,000.00 or greater;

(5) an annual update to the strategic plan prepared pursuant to subsection (c) of this section;

(6) a summary of independent reviews as required by subsection (d) of this section; and

(7) the Agency budget submission; and

(8) a report on the expenditures of the Technology Modernization Special Fund, a list of projects receiving funding from the Fund in the prior fiscal year, and a list of prioritized recommendations for projects to be funded from the Fund in the next fiscal year.

* * *

Sec. E.105.1 3 V.S.A. § 3305 is added to read:

§ 3305. TECHNOLOGY MODERNIZATION SPECIAL FUND

(a) Creation. There is created the Technology Modernization Special Fund, to be administered by the Agency of Digital Services. Monies in the Fund shall be used to purchase, implement, and upgrade technology platforms, systems, and cybersecurity services used by State agencies and departments to carry out their statutory functions.

(b) Funds. The Fund shall consist of:

(1) any amounts transferred or appropriated to it by the General Assembly; and

(2) any interest earned by the Fund.

(c) Fund balance. Any balance remaining at the end of the fiscal year shall remain in the Fund.

(d) Receipts. The Commissioner of Finance and Management may anticipate receipts to this Fund and issue warrants based thereon.

(e) Priorities. The General Assembly shall prioritize projects to receive monies from the Fund based on recommendations from the Chief Information Officer submitted pursuant to subsection 3303(a) of this title. Expenditures shall only be made from the fund through appropriation and project authorization by the General Assembly. Plans for use shall be submitted as part of the budget adjustment or budget process.

Sec. E.105.2 FISCAL YEAR 2023; TECHNOLOGY MODERNIZATION
SPECIAL FUND; AUTHORIZATIONS

(a) In fiscal 2023, the following expenditures are authorized from the Technology Modernization Special Fund to the projects described in this section:

(1) the sum of \$11,800,000 for Enterprise Resource Planning (ERP) system upgrade of core statewide financial accounting system and integration

with the Vermont Department of Labor and the Agency of Transportation financial systems;

(2) the sum of \$1,800,000 for continued implementation of the Workplace Information Management System for property management at the Department of Buildings and General Services;

(3) the sum of \$960,000 for the Fire Safety System Modernization to replace the current technology with a modern platform to improve records management and public interaction functionalities related to permitting and licensing; and

(4) the sum of \$2,200,000 for a case management system at the Office of the Attorney General.

(b) The expenditures authorized in subdivision (a)(1) of this section shall only be released following approval by the Joint Information Technology Oversight Committee upon a review of the following documentation as provided by the Agency of Digital Services, the Agency of Administration, and the Joint Fiscal Office's IT consultant:

(1) adequacy of departmental readiness;

(2) the responsiveness of requests for proposals; and

(3) results of the independent review.

(c) In fiscal year 2023, if funds are available per section C.102(b) of this act, the following expenditures are authorized from the Technology Modernization Special Fund to the projects described in this section:

(1) The sum of \$20,250,000 for the Department of Motor Vehicles (DMV) Core System Modernization Phase II.

(2) The sum of up to \$30,000,000 for the Department of Labor Unemployment Insurance Modernization project. These funds shall be released as follows:

(A) the sum of \$3,000,000 on July 1, 2022;

(B) the sum of \$10,000,000 on July 1, 2023 upon approval by the Joint Information Technology Oversight Committee of the actions outlined in a Project Schedule; and

(C) Remaining funds shall be released upon request as needed by the Agency of Digital Services and approval of the Joint Information Technology Oversight Committee in accordance with actions outlined in a Project Schedule.

(3) For the amounts released in subdivisions (2)(B)–(C) of this subsection, the Joint Information Technology Oversight Committee shall consider the Project Schedule developed between the Department of Labor and the Agency of Digital Services, as approved by the Agency of Administration. The Joint Information Technology Oversight Committee shall also consider any actions proposed by the U.S. Department of Labor that may impact current or future plans developed by the State’s Department of Labor.

Sec. E.106 EXECUTIVE BRANCH FEES AND FUND DEFICITS;
PROPOSED INCREASES AND FOREGONE REVENUE;
REPORT

(a) According to the report submitted by the Commissioner of Finance and Management pursuant to 2021 Acts and Resolves No. 74, Sec. E.106, \$22,000,000 in revenue was foregone in one fiscal year due to lack of inflationary increases in certain fees, including Agency of Transportation fees.

(b) On or before November 15, 2022, the Commissioner of Finance and Management shall submit an inventory of all existing fees within State government to the Joint Fiscal Committee in Excel format. This inventory shall include all fees collected by the Executive Branch, the Attorney General, and the State Treasurer, as well as fees collected by the Judicial Branch. For fees within the Judicial Branch, the Commissioner shall have the assistance of the State Court Administrator. The fee inventory shall contain the following information for each fee in existence on the preceding July 1:

- (1) the statutory authorization and termination date if any;
- (2) its current rate or amount and the date this was last set or adjusted by the General Assembly or by the Joint Fiscal Committee;
- (3) the fund into which its revenues are deposited;
- (4) the revenues derived from it in each of the two previous fiscal years and an estimate of what will be collected in the current fiscal year; and
- (5) in the case of licensing and registration fees, whether the fee is collected annually, biennially, or on some other set time frame.

(c) On or before November 15, 2022, the Secretary of State shall submit an inventory of its existing fees to the Joint Fiscal Committee in Excel format. The fee inventory shall contain the following information for each fee in existence on the preceding July 1:

- (1) the statutory authorization and termination date if any;
- (2) its current rate or amount and the date this was last set or adjusted by the General Assembly or by the Joint Fiscal Committee;

- (3) the fund into which its revenues are deposited;
- (4) the revenues derived from it in each of the two previous fiscal years and an estimate of what will be collected in the current fiscal year; and
- (5) in the case of licensing and registration fees, whether the fee is collected annually, biennially, or on some other set time frame.
- (d) On or before November 15, 2022, the Commissioner of Finance and Management shall provide a list of all funds to the Joint Fiscal Committee for which one or both of the following conditions are true:
 - (A) the fund was in a deficit at the end of the most recent fiscal year or is expected to be in a deficit at the end of the current fiscal year; or
 - (B) general funds were needed in any of the last three years to address a fund deficit or to support the related operating costs of programs supported by the fund.
- (e) On or before January 15, 2023, the Commissioner of Finance and Management shall submit a report to the General Assembly that provides a list of programs by department where the fees do not fully cover the cost of providing the service or regulatory function.

Sec. E.106.1 32 V.S.A. § 1001b is added to read:

§ 1001b. CAPITAL EXPENDITURE CASH FUND

- (a) Creation. There is hereby created the Capital Expenditure Cash Fund to be administered by the Commissioner of Finance and Management, in consultation with the State Treasurer, for the purpose of using general funds to defray the costs of future capital expenditures that would otherwise be paid for using the State's general obligation bonding authority and debt service obligations.
- (b) Fund. The Fund may consist of:
 - (1) any appropriations or transfers made by the General Assembly; and
 - (2) any interest earned by the Fund.
- (c) Use of funds. Expenditure shall only be made from the fund by appropriations by the General Assembly. Plans for use shall be submitted as part of the operating budget adjustment or operating budget process. Monies in the Fund shall only be used for:
 - (1) costs associated with a proposed capital project that occur prior to the construction phase of that project, including feasibility, planning, design, and engineering and architectural costs;
 - (2) projects with an anticipated lifespan of less than 20 years;

(3) costs associated with the early redemption of general obligation bonds; and

(4) other eligible capital projects receiving an appropriation from the General Assembly.

(d) Fund balance. All balances in the Fund at the end of any fiscal year shall be carried forward and remain part of the Fund.

(e) Early redemption transfer. If any expenditures are made from the Fund or the General Assembly appropriates general funds to pay for the early redemption of general obligation bonds pursuant to subdivision (c)(3) of this section, then an amount equal to the reduction in debt service required in any fiscal year resulting from that redemption shall be transferred to the Fund.

Sec. E.106.2 CAPITAL EXPENDITURE CASH FUND; ANALYSIS

(a) The Commissioner of Finance and Management, in consultation with the Joint Fiscal Office and the State Treasurer, shall analyze and make recommendations on:

(1) a dedicated revenue source or State fiscal capacity to fund the Capital Expenditure Cash fund; and

(2) for any revenue source or State fiscal capacity identified in subdivision (1) of this subsection, an analysis of the benefits and costs of dedicating this revenue source to the Capital Expenditure Cash Fund in comparison to other identified unfunded State fiscal pressures.

(3) Amendments to 32 V.S.A. § 1001b(c) on the use of the Capital Expenditure Cash Fund, including:

(A) if uses of the Fund should be prioritized in statute;

(B) how to prioritize the use of the Fund to emphasize strong financial management in Vermont State government;

(C) if an allowed use should include internal State debts or deficits; and

(D) if an allowed use should include State assistance for projects to mitigate emergent health and safety needs.

(b) On or before January 15, 2023, the Commissioner of Finance and Management shall submit any recommendations to the House Committees on Appropriations and on Corrections and Institutions and the Senate Committees on Appropriations and on Institutions.

Sec. E.107 CORONAVIRUS RELIEF FUND APPROPRIATIONS;
REVERSION AND REALLOCATION; REPORTS

(a) From July 1, 2022 through September 30, 2022, the Commissioner of Finance and Management is authorized to revert all unobligated Coronavirus Relief Fund (CRF) appropriations and allocate the monies for expenditure pursuant to 32 V.S.A. § 511 to any agency or department for CRF-eligible costs incurred from March 1, 2020 through December 31, 2021.

(b) The Commissioner of Finance and Management shall report at the September meeting of the Joint Fiscal Committee on final CRF activity and if any monies will be returned to the federal government.

Sec. E.126 TRANSFER OF FUNDS WITHIN LEGISLATIVE BRANCH

(a) Notwithstanding 32 V.S.A. § 706, in fiscal year 2023, appropriations within the Legislative Branch may be transferred between respective offices to ensure a balanced close-out in the fiscal year.

Sec. E.126.1 RESTORATIVE JUSTICE; STUDY

(a) The Joint Legislative Justice Oversight Committee shall study Vermont's restorative justice programming and services, including the administration and funding of pretrial services, court diversion programs, balanced and restorative justice initiatives, and community justice center services with the purpose to develop recommendations for a comprehensive and efficient statutory framework for programming and services that further restorative justice principles. In conducting its study, the Committee shall:

(1) consider strategies for ensuring geographic consistency and equity for restorative justice programming and services, including equal access for all Vermonters and adequate resources for all providers; and

(2) recommend any changes to streamline restorative justice programming and services that coordinate the roles, responsibilities, and funding of the Department of Corrections, the Office of the Attorney General, the Department of Children and Families, and any other entity that administers restorative justice programming and services in the State.

(b) On or before December 15, 2022, the Committee shall submit any proposed legislation resulting from its study to the House Committees on Corrections and Institutions, on Judiciary, and on Appropriations, and the Senate Committees on Institutions, on Judiciary, and on Appropriations.

Sec. E.128 SERGEANT AT ARMS

(a) The Capitol Police may submit a request for equipment purchases or leases for up to \$15,000 to the Joint Legislative Management Committee for

review and approval. Upon approval, equipment purchases or leases shall be funded by General Fund carryforward within the legislative budget.

Sec. E.128.1 FARMERS' NIGHT CONCERT SERIES APPROPRIATION

(a) The Office of the Sergeant at Arms is authorized to use not more than \$10,000 from resources available within the General Assembly's budget to provide honoraria to speakers and performing groups who are invited to participate in the 2023 Farmers' Night Concert Series and who are not otherwise sponsored or compensated for their participation.

Sec. E.131 STATE TREASURER – VOLUNTEER INCOME TAX ASSISTANCE (VITA) PROGRAM

(a) Included in the appropriation in Sec. B.131 of this act is \$400,000 to contract with the Champlain Valley Office of Economic Opportunity (CVOEO) on behalf of the Vermont Community Action Partnership to manage and administer the Volunteer Income Tax Assistance (VITA) program.

Sec. E.134 VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM; FISCAL YEARS 2023–2026; RATES

(a) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period from July 1, 2022 through June 30, 2023, contributions shall be made by:

(1) Group A members at the rate of 3.5 percent of earnable compensation;

(2) Group B members at the rate of 5.875 percent of earnable compensation;

(3) Group C members at the rate of 11 percent of earnable compensation; and

(4) Group D members at the rate of 12.35 percent of earnable compensation.

(b) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period from July 1, 2023 through June 30, 2024, contributions shall be made by:

(1) Group A members at the rate of 3.75 percent of earnable compensation;

(2) Group B members at the rate of 6.125 percent of earnable compensation;

(3) Group C members at the rate of 11.25 percent of earnable compensation; and

(4) Group D members at the rate of 12.6 percent of earnable compensation.

(c) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period from July 1, 2024 through June 30, 2025, contributions shall be made by:

(1) Group A members at the rate of 4 percent of earnable compensation;

(2) Group B members at the rate of 6.375 percent of earnable compensation;

(3) Group C members at the rate of 11.5 percent of earnable compensation; and

(4) Group D members at the rate of 12.85 percent of earnable compensation.

(d) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period from July 1, 2025 through June 30, 2026, contributions shall be made by:

(1) Group A members at the rate of 4.25 percent of earnable compensation;

(2) Group B members at the rate of 6.625 percent of earnable compensation;

(3) Group C members at the rate of 11.75 percent of earnable compensation; and

(4) Group D members at the rate of 13.1 percent of earnable compensation.

Sec. E.134.1 3 V.S.A. § 522 is amended to read:

§ 522. VERMONT PENSION INVESTMENT COMMISSION

* * *

(i) Assistance and expenses.

~~(1) The Commission shall have the administrative and technical support of the Office of the State Treasurer.~~

~~(2)~~ The Commission may collect proportionally from the funds of the three retirement systems and any individual municipalities that have been allowed to invest their retirement funds pursuant to subsection 523(a) of this title, any expenses incurred that are associated with carrying out its duties, and any expenses incurred by the Treasurer's office in support of the Commission.

~~(3)~~(2) The Attorney General shall serve as legal advisor to the Commission.

Sec. E.134.2 3 V.S.A. § 524 is added to read:

§ 524. VERMONT PENSION INVESTMENT COMMISSION SPECIAL FUND

(a) Creation. There is hereby created the Vermont Pension Investment Commission Special Fund, administered by the Vermont Pension Investment Commission, for the purpose of receiving funds transferred to the Commission pursuant to subsection 523(i) of this title. Monies in the Fund shall be used to pay expenses associated with carrying out the Commission's duties.

(b) Funds. The Fund shall consist of:

(1) any amounts collected and transferred by the three retirement systems and any individual municipalities that have been allowed to invest their retirement funds pursuant to subsection 523(a) of this title;

(2) any amounts transferred or appropriated to it by the General Assembly; and

(3) any interest earned by the Fund.

Sec. E.134.3 VERMONT PENSION INVESTMENT COMMISSION;
SOURCE OF FUNDS

(a) The funds appropriated in Sec. B.134.1 of this act are costs to the State's pension funds and have been considered in each pension systems' actuarial valuations but have not been included in the funds appropriated in Secs. B.133, B.134, and B.514.1 of this act.

(b) The funds appropriated from the pension systems for administrative costs in Secs. B.133, B.134, and B.514.1 of this act are intended to provide spending authority needed to transfer funds from the State's pension systems to the Treasurers Retirement Admin Costs fund (21520) to cover the portion of the Treasurer's budget attributable to the State's pension systems.

Sec. E.134.4 MEMBERSHIP TRANSFER OF CERTAIN SHERIFF
DEPARTMENT EMPLOYEES; COSTS; MUNICIPAL
EMPLOYEES' RETIREMENT SYSTEM; STATE
TREASURER; REPORT

(a) The State Treasurer, in consultation with the Joint Pension Oversight Committee shall, with assistance of actuarial analysis, determine the costs associated with transferring the membership of:

(1) certified law enforcement officials employed by county sheriff departments from Group F in the Vermont State Employees' Retirement System to a Group D membership in the Vermont Municipal Employees' Retirement System; and

(2) support staff employed by county sheriff departments from Group F in the Vermont State Employees' Retirement System to Group A, B, or C in the Vermont Municipal Employees' Retirement System.

(b) On or before October 1, 2022, the State Treasurer shall submit a report to the House Committees on Appropriations and on Government Operations and the Senate Committees on Appropriations and on Government Operations that includes the results of the study described in subsection (a) of this section. The report shall include an inventory of all employees, as of a specified date, for each county sheriff department with the current enrollment status of each employee in a State or municipal pension system by group; or if the employee is not enrolled in a State or municipal pension system; or is enrolled in another retirement system.

Sec. E.136.1 2017 Acts and Resolves No. 79, Sec. 13, as amended by 2020 Acts and Resolves No. 120, Sec. A.8, and 2021 Acts and Resolves No. 44, Sec. 2, is further amended to read:

Sec. 13. STATE ETHICS COMMISSION FUNDING SOURCE
SURCHARGE; REPEAL

(a) Surcharge.

(1) Notwithstanding the provisions of 3 V.S.A. § 2283(c) setting forth the purpose and rate of charges collected in the Human Resource Services Internal Service Fund, in fiscal year 2018 and thereafter, a surcharge of up to 2.3 percent, but no greater than the cost of the activities of the State Ethics Commission set forth in Sec. 7 of this act, on the per-position portion of the charges authorized in 3 V.S.A. § 2283(c)(2) shall be assessed to all Executive Branch agencies, departments, and offices and shall be paid by all assessed entities solely with State funds.

(2) The amount collected shall be accounted for within the Human Resource Services Internal Service Fund and used solely for the purposes of funding the activities of the State Ethics Commission set forth in Sec. 7 of this act.

(b) Repeal. This section shall be repealed on ~~July 1, 2022~~ July 1, 2025.

Sec. E.139 GRAND LIST LITIGATION ASSISTANCE

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

expenses incurred to undertake complex commercial and utility property appraisals conducted by the Department to aid town valuations.

Sec. E.142 PAYMENTS IN LIEU OF TAXES

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

(b) Notwithstanding subsection (a) of this section, the payments under this section shall be adjusted so that the total payments made under Secs. E.142, E.143, and E.144 do not exceed 100 percent of the assessed value of State buildings defined by 32 V.S.A. § 3701(2).

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

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

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

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

* * * Protection to Persons and Property * * *

Sec. E.200 ATTORNEY GENERAL

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

(b) Of the revenue available to the Attorney General under 9 V.S.A. § 2458(b)(4), \$1,545,393 is appropriated in Sec. B.200 of this act.

Sec. E.203 [Deleted.]

Sec. E.205 24 V.S.A. § 290 is amended to read:

§ 290. COUNTY SHERIFF'S DEPARTMENT

* * *

(b) Full-time State deputy sheriffs whose primary responsibility is transportation of prisoners and persons with a mental condition or psychiatric disability shall be paid by the State of Vermont. ~~The appointment of such deputies and their salary shall be approved by the Governor or his or her designee. The Executive Committee of the Vermont Sheriffs Association and the Executive Director of the Department of State's Attorneys and Sheriffs shall jointly have authority for the assignment of position locations in the counties of State-paid deputy sheriffs and shall review the county location assignments periodically for efficient use of resources. The positions and their funding shall be assigned to the Department of State's Attorneys and Sheriffs. The Executive Director shall have the authority to determine job duties for the position, assignment of positions to county, regular and temporary work locations, assistance to other State agencies and departments, timesheet systems, daily work logs, and to have final approval of personnel matters including, but not limited to, approval for hiring, paygrade assignment, hiring rate, discipline, and termination. The Sheriffs shall have an Executive Committee of not more than five current Sheriffs, elected for a two-year term by a vote of the Sheriffs held not later than January 15, for a term starting February 1. The Executive Committee shall have a Chair, Vice-Chair, Secretary-Treasurer, and two members at large. The Executive Committee shall meet at least quarterly to provide input to the Department of State's Attorneys and Sheriffs regarding budget, legislation, personnel and policies, and the assignment of positions, when vacancies arise, for efficient use of resources.~~

* * *

Sec. E.205.1 32 V.S.A. § 1591(2) is amended to read:

(2) For the transportation and care of prisoners, juveniles, and patients with a mental condition or psychiatric disability:

(A) For necessary assistance in arresting or transporting prisoners, juveniles, or persons with mental illness, ~~the sum of \$18.00 per hour~~ State's Attorneys and Sheriffs Executive Director shall annually set the per hour chargeable rate for each deputy sheriff or assistant so required if the to assist in the transport. The Executive Director shall consult with the Sheriffs Association before setting the per hour chargeable rate. The sheriff or constable makes oath that the deputy sheriff, assistant, or assistants were required, giving the name of the assistant or assistants if there were more than one; provided, however, a full-time law enforcement officer shall provide the documentation required by the Department. The deputy sheriff or assistant shall not receive compensation under this subsection if otherwise compensated from any other funding source for the same hours during which such

~~transportation is performed. In addition to the rate established the sheriffs' department shall be reimbursed for the costs of the employers' contribution to Social Security and workers' compensation insurance attributable to services provided under this section. Reimbursement shall be calculated on an hourly basis; the sheriff's department shall also be reimbursed for the costs of employer contributions for unemployment compensation, when a claim is filed and the percentage owed from the sheriff's department to the State can be accounted for under this section.~~

* * *

Sec. E.208 PUBLIC SAFETY – ADMINISTRATION

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

Sec. E.209 PUBLIC SAFETY – STATE POLICE

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

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

Sec. E.209.1 PUBLIC SAFETY – VERMONT STATE POLICE; DISPATCH WORKING GROUP; TRANSITION PROPOSAL; REPORT

(a) Creation. The Commissioner of the Department of Public Safety shall convene a working group on the new regional dispatch model. The task force shall provide a written report to the Governor and the General Assembly on or before December 1, 2022. The report shall include recommendations on:

(1) The long-term funding model for regional dispatch that fairly assesses costs statewide, does not unduly affect property taxes, and clearly identifies the potential impact on property taxes;

(2) The estimated timeline and transition funding needed as new regional dispatch centers come online and local dispatch services are transitioned away from State-operated facilities.

(3) Identify the reduction in workload that will result at the two Vermont State Police dispatch centers from a fully operational regional dispatch model.

(b) Membership. The working group shall be composed of the following members:

(1) one representative of the Vermont State Police, selected by the Commissioner of Public Safety;

(2) two representatives of local legislative bodies, selected by the Vermont League of Cities and Towns, one of which utilizes a State-dispatch center and one of which utilizes an existing regional or local dispatch center;

(3) one representative of an existing local or regional dispatch center, selected by the Vermont League of Cities and Towns;

(4) two police chiefs, selected by the Vermont Police Chiefs Association, one of whom utilizes a State-dispatch center and one of whom utilizes an existing regional or local dispatch center;

(5) one emergency medical responder, selected by the Vermont EMS Advisory Committee;

(6) one firefighter, selected by the Vermont State Firefighters Association;

(7) one sheriff, selected by the Vermont Sheriffs Association; and

(8) one representative of the Enhanced 911 Board, selected by the Board Chair.

(c) Powers and Duties. The working group shall:

(1) Consider and document how current dispatch services are provided statewide and the various methods of funding that exist to cover the cost of dispatch services. This shall include detail by town and or by emergency service provider. This analysis shall identify any funding inequities that exist in the current system between those entities paying for services using local funds and those entities receiving dispatch services provide by the State without cost. The analysis of current costs and payments flows for dispatch services shall be compared to the projected costs and payment flows under the new regional dispatch model. This analysis shall also estimate how first responder entities dispatched though the new regional system may be financially impacted in the transition to the new regional system.

(2) Identify a transitional timeline and the tasks to be completed within that timeline for transitioning to the new regional dispatch model.

(3) Identify any State resources that may become available once the new dispatch system is fully operational and recommend if and how such resources should be distributed to equitably reduce local costs.

(4) Identify any other ongoing sources of statewide revenue to be dedicated to statewide emergency response communications to equitably reduce local costs.

(d) Meetings.

(1) The Commissioner of Public Safety or designee shall call the first meeting of the working group.

(2) The working group shall determine its chair from among the members of the working group.

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

(e) Assistance. The working group shall have the administrative, technical, and legal assistance of the Department of Public Safety.

Sec. E.212 PUBLIC SAFETY – FIRE SAFETY

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

Sec. E.215 MILITARY – ADMINISTRATION

(a) The amount of \$1,319,834 shall be disbursed to the Vermont Student Assistance Corporation for the National Guard Tuition Benefit Program established in 16 V.S.A. § 2857.

Sec. E.219 MILITARY – VETERANS' AFFAIRS

(a) Of the funds appropriated in Sec. B.219 of this act, \$1,000 shall be used for continuation of the Vermont Medal Program, \$4,800 shall be used for the expenses of the Governor's Veterans' Advisory Council, \$7,500 shall be used for the Veterans' Day parade, and \$10,000 shall be granted to the American Legion for the Boys' State and Girls' State programs.

Sec. E.222 NEW FARMER PROGRAM COORDINATION

(a) The Secretary of Agriculture shall, in consultation with the Vermont Housing Conservation Board, inventory the programs available to assist new farmers beginning operations in the State. On or before January 15, 2023, the Secretary shall provide a report to the House and Senate Committees on Agriculture on the degree of coordination across these programs. This shall

include recommendations for improvement or change in operations and coordination that would benefit new farmers experience in seeking assistance.

Sec. E.232 [Deleted.]

Sec. E.233 30 V.S.A. § 8083(b)(6) is amended to read:

(6) upon approval by the General Assembly, up to \$1,500,000.00 annually to fund the operational expenses of the Board and the Department to the extent the Department's expenses support the work of the Board.

Sec. E.233.1 VERMONT COMMUNITY BROADBAND BOARD;
OPERATIONAL EXPENSES; ANNUAL BUDGET

(a) On or before December 1, 2022, the Vermont Community Broadband Board shall submit to the Governor and the General Assembly a proposed budget for its operational expenses for fiscal year 2023 for inclusion in the fiscal year 2023 budget adjustment act.

(b) On or before January 15, 2023, the Vermont Community Broadband Board shall submit to the Governor and the General Assembly a proposed budget for its operational expenses in fiscal year 2024 for inclusion in the Governor's recommended fiscal year 2024 appropriations for the support of government.

(c) In preparing a proposed budget for its operational expenses, the Vermont Community Broadband Board shall maximize first the use of any federal funds in the Vermont Community Broadband Fund that are available for administrative costs, and then shall draw upon monies transferred to the Vermont Community Broadband Fund pursuant to 30 V.S.A. § 7523(b).

Sec. E.233.2 VERMONT COMMUNITY BROADBAND BOARD

(a) In fiscal year 2023 there is appropriated to the Vermont Community Broadband Board a total of \$1,500,000 from special funds to operate the Board. The intent of this section is to provide the necessary spending authority to the Board to operate in fiscal year 2023 until a new line-item budget is included in the budget adjustment for fiscal year 2023 pursuant to Sec. 233.1. of this act.

Sec. E.233.3 MUNICIPAL FUNDS FOR BROADBAND

(a) Notwithstanding any other provision of law to the contrary, a municipality may accept and finance broadband projects with funds received from the American Rescue Plan Act of 2021, Pub. L. 117-2, including funds received as lost revenue.

Sec. E.240 CANNABIS CONTROL BOARD

(a) The funds appropriated for the Cannabis Control Board in Sec. B.240 of this act include one-time special funds of \$703,432 to support phase two of the license application and seed to sale tracking information technology system.

* * * Cannabis Regulation Fund; Cannabis Excise Tax Revenue in Fiscal Years 2024 and 2025* * *

Sec. E.240.1 7 V.S.A. § 845 is amended to read:

§ 845. CANNABIS REGULATION FUND

(a) There is established the Cannabis Regulation Fund, which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. The Fund shall be maintained by the Cannabis Control Board.

(b) The Fund shall be composed of:

(1) all State application fees, annual license fees, renewal fees, and civil penalties collected by the Board pursuant to chapters 33 (cannabis establishments) and 37 (medical cannabis dispensaries) of this title; ~~and~~

(2) all annual and renewal fees collected by the Board pursuant to chapter 35 (medical cannabis registry) of this title; and

(3) all cannabis excise tax revenue raised pursuant to 32 V.S.A. § 7902.

(c) Monies from the Fund shall only be appropriated for the purposes of implementation, administration, and enforcement of this chapter and chapter 33 of this title.

(d) The Commissioner of Finance and Management shall do the following not later than July 31 each year:

(1) transfer the unexpended and unobligated balance of the Cannabis Regulation Fund to the General Fund at the close of the prior fiscal year; and

(2) report the amount of the transfer made pursuant to subdivision (1) of this subsection to the Joint Fiscal Committee.

Sec. E.240.2 32 V.S.A. § 7909 is amended to read:

§ 7909. SUBSTANCE MISUSE PREVENTION FUNDING

(a) ~~Thirty percent of the revenues raised by the cannabis excise tax imposed by section 7902 of this title~~ unexpended and unobligated balance of the Cannabis Regulation Fund that is transferred to the General Fund pursuant to 7 V.S.A. § 845(d)(1), not to exceed \$10,000,000.00 per fiscal year, shall be

used to fund substance misuse prevention programming in the subsequent fiscal year.

* * *

Sec. E.240.3. REPEAL

(a) 2020 Acts and Resolves No. 164, Sec. 6c (contingent Cannabis Regulation Fund deficit offset) is repealed.

Sec. E.240.4 2020 Acts and Resolves No. 164, Sec. 33(h) is amended to read:

(h) ~~Sec. 6c (contingent Cannabis Regulation Fund deficit offset) shall take effect on July 1, 2024. [Repealed.]~~

* * * Cannabis Excise Tax Revenue Starting in Fiscal Year 2026 * * *

Sec. E.240.5. 7 V.S.A. § 845 is amended to read:

§ 845. CANNABIS REGULATION FUND

(a) There is established the Cannabis Regulation Fund, which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. The Fund shall be maintained by the Cannabis Control Board.

(b) The Fund shall be composed of:

(1) all State application fees, annual license fees, renewal fees, and civil penalties collected by the Board pursuant to chapters 33 (cannabis establishments) and 37 (medical cannabis dispensaries) of this title; and

(2) all annual and renewal fees collected by the Board pursuant to chapter 35 (medical cannabis registry) of this title; and.

(3) ~~all cannabis excise tax revenue raised pursuant to 32 V.S.A. § 7902. [Repealed.]~~

(c) Monies from the Fund shall only be appropriated for the purposes of implementation, administration, and enforcement of this chapter and chapter 33 of this title.

(d) ~~The Commissioner of Finance and Management shall do the following not later than July 31 each year:~~

(1) ~~transfer the unexpended and unobligated balance of the Cannabis Regulation Fund to the General Fund at the close of the prior fiscal year; and~~

(2) ~~report the amount of the transfer made pursuant to subdivision (1) of this subsection to the Joint Fiscal Committee. [Repealed.]~~

Sec. E.240.6. 32 V.S.A. § 7909(a) is amended to read:

(a) Thirty percent of the revenues raised by the cannabis excise tax imposed by section 7902 of this title ~~unexpended and unobligated balance of the Cannabis Regulation Fund that is transferred to the General Fund pursuant to 7 V.S.A. § 845(d)(1),~~ not to exceed \$10,000,000.00 per fiscal year, shall be used to fund substance misuse prevention programming in the subsequent fiscal year.

Sec. E.240.7 TRANSFER IN JULY 2025

(a) Notwithstanding any provision of law to the contrary, the Commissioner of Finance and Management shall do the following not later than July 31, 2025:

(1) transfer the unexpended and unobligated balance of the Cannabis Regulation Fund to the General Fund at the close of the 2024 fiscal year; and

(2) report the amount of the transfer made pursuant to subdivision (1) of this section to the Joint Fiscal Committee.

* * * Human Services * * *

Sec. E.300 FUNDING FOR THE OFFICE OF THE HEALTH CARE
ADVOCATE

(a) Of the funds appropriated in Sec. B.300 of this act, \$1,847,406 shall be used for the contract with the Office of the Health Care Advocate.

Sec. E.300.1 PRIVATE NONMEDICAL INSTITUTIONS; COSTS

(a) On or before September 1, 2022, the Agency of Human Services shall report to Joint Fiscal Committee on a plan to address costs associated with contract staffing for private nonmedical institutions. The plan shall include a timeline to address the rate setting process for future ongoing base costs starting in State fiscal year 2023.

Sec. E.301 SECRETARY'S OFFICE – GLOBAL COMMITMENT:

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

(b) In addition to the State funds appropriated in this section, a total estimated sum of \$25,231,644 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) \$22,230,100 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with \$28,269,900 of federal funds appropriated in Sec. B.301 of this act equals a total estimated expenditure of \$50,500,000. An amount equal to the amount of the federal matching funds for eligible special education school-based Medicaid services under Global Commitment shall be transferred from the Global Commitment Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A. § 2959a.

(2) \$3,001,544 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

(c) Up to \$4,034,170 is transferred from the AHS Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Sec. B.301 – Secretary’s Office – Global Commitment of this act.

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

(a) In order to facilitate the end-of-year closeout for fiscal year 2023, the Secretary of Human Services, with approval from the Secretary of Administration, may make transfers among the appropriations authorized for Medicaid and Medicaid-waiver program expenses, including Global Commitment appropriations outside the Agency of Human Services. At least three business days prior to any transfer, the Agency shall submit to the Joint Fiscal Office a proposal of transfers to be made pursuant to this section. A final report on all transfers made under this section shall be made to the Joint Fiscal Committee for review at the September 2023 meeting. The purpose of this section is to provide the Agency with limited authority to modify the appropriations to comply with the terms and conditions of the Global Commitment for Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

Sec. E.301.2 GLOBAL COMMITMENT WAIVER AMENDMENT

(a) The Secretary of Human Services is authorized to seek to extend or renew Vermont’s Global Commitment to Health Section 1115 Demonstration Waiver, which is currently set to expire on June 30, 2022. The Agency of Human Services shall strive to maintain or increase the State’s flexibility to

use Global Commitment investment dollars to increase access to care and coverage, improve health outcomes, strengthen health care delivery, and promote transformation to value-based and integrated models of care.

Sec. E.301.3 PROVIDER RATE INCREASES

(a) Recipients of any increased rates under Secs. B.314, B.333, and B. 334.1 of this act shall be transparent in the use of these funds through timely and accurate reporting.

(b) On or before April 15, 2023, based on the information reported in subsection (a) of this section from the Designated and Specialized Service Agencies and the Home Health Provider Agencies, the Agency of Human Services shall provide a preliminary report to General Assembly on whether the fiscal year 2023 provider rate increase is having an impact on:

(1) reducing the wait times for community-based mental health services or community-based home health services under the Choices for Care Program;

(2) reducing the use of emergency department resources at local hospitals for mental health related incidents; and

(3) improving the staff vacancy rate at these providers through their ability to recruit and retain employees.

Sec. E.306 VERMONT HEALTH BENEFIT EXCHANGE RULES

(a) The Agency of Human Services may adopt rules pursuant to 3 V.S.A. chapter 25 to conform Vermont's rules regarding health care eligibility and enrollment and the operation of the Vermont Health Benefit Exchange to state and federal law and guidance. The Agency may use the emergency rules process pursuant to 3 V.S.A. § 844 prior to June 30, 2023, but only in the event that new state or federal law or guidance require Vermont to amend or adopt its rules in a time frame that cannot be accomplished under the traditional rulemaking process. An emergency rule adopted under these exigent circumstances shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

Sec. E.306.1 [Deleted.]

Sec. E.312 HEALTH – PUBLIC HEALTH

(a) AIDS/HIV funding.

(1) In fiscal year 2023 and as provided in this section, the Department of Health shall provide grants in the amount of \$475,000 in AIDS Medication Rebates special funds to the Vermont AIDS service and peer-support organizations for client-based support services. The Department of Health

AIDS Program shall meet at least quarterly with the Community Advisory Group (CAG) with current information and data relating to service initiatives. The funds shall be allocated according to an RFP process.

(2) In fiscal year 2023 and as provided in this section, the Department of Health shall provide grants in the amount of \$295,000 to the following organizations:

(A) Vermont CARES - \$140,000;

(B) AIDS Project of Southern Vermont - \$100,000; and

(C) HIV/HCV Resource Center - \$55,000.

(3) Ryan White Title II funds for AIDS services and the Vermont Medication Assistance Program (VMAP) shall be distributed in accordance with federal guidelines. The federal guidelines shall not apply to programs or services funded solely by State general funds.

(A) The Secretary of Human Services shall immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in VMAP to assist all eligible individuals. The Secretary shall work in collaboration with persons living with HIV/AIDS to develop a plan to continue access to VMAP medications until such time as the General Assembly can take action.

(B) As provided in this section, the Secretary of Human Services shall work in collaboration with the VMAP Advisory Committee, which shall be composed of not less than 50 percent of members who are living with HIV/AIDS. If a modification to the program's eligibility requirements or benefit coverage is considered, the Committee shall make recommendations regarding the program's formulary of approved medication, related laboratory testing, nutritional supplements, and eligibility for the program.

(4) In fiscal year 2023, the Department of Health shall provide grants in the amount of \$100,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for community-based HIV prevention programs and services. These funds shall be used for HIV/AIDS prevention purposes, including syringe exchange programs; improving the availability of confidential and anonymous HIV testing; prevention work with at-risk groups such as women, intravenous drug users, and people of color; and anti-stigma campaigns. Not more than 15 percent of the funds may be used for the administration of such services by the recipients of these funds. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health and the Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers.

(5) In fiscal year 2023, the Department of Health shall provide grants in the amount of \$300,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for syringe exchange programs. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health, the Vermont AIDS service organizations, and other Vermont HIV/AIDS prevention providers. The performance period for these grants will be State fiscal year 2023. Grant reporting shall include outcomes and results.

(6) In fiscal year 2023, the Department of Health shall not reduce any grants to the Vermont AIDS service and peer-support organizations or syringe service programs from funds appropriated for AIDS/HIV services to levels below those in fiscal year 2022 without receiving prior approval from the Joint Fiscal Committee.

Sec. E.313 REPORT, PUBLIC INEBRIATE AND SOBER BED
PROGRAMMING

(a) The new alcohol and drug abuse program beds funded through Sec. B.313 of this act shall be used to treat public inebriates instead of having these individuals held by the Department of Corrections. On or before January 15, 2023, the Department of Health, in consultation with the Chief Prevention Officer, Vermont Preferred Providers, Vermont Care Partners, the Vermont Association for Mental Health and Addiction Recovery, and the Vermont Alliance for Recovery Residences, shall submit a written report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare examining whether there is excess bed capacity among those programs designated for use by public inebriates. The report shall include an analysis of financial sustainability of the programs. If the Department determines that there is excess capacity, the report shall include a plan to make efficient use of the excess capacity, including possibly redesignating beds for alternative purposes.

Sec. E.314 DEPARTMENT OF MENTAL HEALTH; MOBILE CRISIS
OUTREACH SERVICES

(a) The Department of Mental Health shall build an urgent care model for mental health by expanding mobile outreach services based on the Department's analysis of statewide mobile crisis services and gaps pursuant to its State Planning Grant from the Centers for Medicare and Medicaid Services. The urgent care model shall address geographic gaps and the regions of the State in which the lack of mobile outreach is most directly driving unnecessary emergency department visits or unnecessary law enforcement responses.

(b) The new mobile outreach services shall:

(1) be based on evidence-based and trauma-informed practices, including using peer support staff;

(2) be developed in conjunction with the continuum of urgent care response related to the new 9-8-8 suicide prevention line; and

(3) comply with federal requirements as needed to qualify for three years of federal financial participation at an enhanced 85 percent federal match rate.

(c) The Department, in coordination with the Agency of Human Services Secretary's Office, Department of Vermont Health Access and the Department of Financial Regulation, shall develop a sustainability plan to ensure that the services will continue to be available after expiration of the enhanced federal match rate.

(d) On or before January 15, 2023, the Department shall provide a status report on:

(1) the experience of the Rutland pilot project which includes the number of Vermonters served by this pilot through 2022, as well as a description of the evaluation of the operating model of the pilot since it was launched to date; and

(2) the status of expansion of the urgent care model for mental health by expanding mobile outreach services funded in fiscal year 2023, including grants issued to date, operating status of the programs provided funding, and number of Vermonters served in 2022.

Sec. E.314.1 DEPARTMENT OF MENTAL HEALTH; EMERGENCY
DEPARTMENTS; PATIENT EXPERIENCE OF CARE;
REPORT

(a) On or before January 15, 2023, the Department of Mental Health shall report to the House Committee on Health Care and the Senate Committee on Health and Welfare regarding the progress of the health care system in improving the patient experience of care for individuals encountering lengthy emergency departments waits for admission for inpatient psychiatric treatment. The report shall include an assessment of the services offered to these patients in emergency departments and the extent to which stakeholder input is included in decisions about services and patient care. The report shall include the most recent data pertaining to patient length of stay in emergency departments due to a lack of appropriate alternative mental health level 1 or step-down bed placements, and any changes anticipated in the inventory of level 1 or step-down beds system wide.

Sec. E.314.2 29 V.S.A. § 821 is amended to read:

§ 821. STATE FACILITIES

(a) State buildings.

* * *

(15) “River Valley Therapeutic Residence” shall be the name of the secure residential recovery facility in Essex.

* * *

Sec. E.316 PARENT CHILD CENTER GRANT

(a) The Department for Children and Families shall, within the administration of the grant for parent child centers and in consultation with the parent child centers, seek to ensure that services are targeted to families most at risk of having young children come into State custody. The shared goal of preventing that outcome and bringing Vermont’s rate of young children coming into State custody down to a level more consistent with other states experience, shall be reflected in the grant agreement.

Sec. E.317 33 V.S.A. § 5126 is added to read:

§ 5126. PLACEMENT OF A CHILD INTO A QUALIFIED RESIDENTIAL TREATMENT PROGRAM

(a) Within 60 days of the start of a placement of a child into a qualified residential treatment program by the Commissioner, the Family Division of the Superior Court or the Judicial Master shall review the assessment, determination, and documentation provided by the qualified individual conducting the assessment required pursuant to 42 U.S.C. § 675a. The court or Judicial Master shall determine whether the needs of the child can be met through placement with family members, in a foster family home, or in another approved setting designed to meet specialized needs. If placement in a setting described above is not appropriate, the court or Judicial Master shall consider whether placement of the child in a qualified residential treatment program provides the most effective and appropriate level of care for the child in the least restrictive environment, and whether such a placement is consistent with the short- and long-term goals for the child, as specified in the case plan for the child.

(b) The court or Judicial Master shall approve or disapprove the placement in a qualified residential treatment program based on the factors considered in subsection (a) of this section and make written findings as to the basis for the determination. The decision and findings shall be submitted to the parties.

(c) Nothing in this section shall be construed to limit the Commissioner's authority to place a child who is in the Commissioner's legal custody in a family home or a treatment, rehabilitative, detention, or educational facility or institution as provided in subdivision 5106(4) of this title.

(d) This section shall not apply to children placed in a setting that is intended for the detention of minors.

Sec. E.318 REPEAL

2019 Acts and Resolves No. 72, Sec. E.318.7 is repealed.

Sec. E.318.1 CHILD CARE CAPACITY-BUILDING GRANTS

(a) Of the funds appropriated in Sec. B.318 of this act, \$800,000 is allocated for the purpose of expanding infant and toddler child care capacity.

(b) The Child Development Division shall award grants to eligible applicants. An eligible applicant shall:

(1) be a new or existing regulated, privately owned center-based child care program or family child care home in good regulatory standings;

(2) participate in Child Care Financial Assistance Program (CCFAP);

(3) provide year-round, full day child care and early learning services;

(4) provide child care and early learning services for infants and toddlers; and

(5) participate in the Step Ahead Recognition System (STARS).

(c) Center-based child care program or family child care homes receiving a grant pursuant to this section shall remain in compliance with the Division's rules, continue participation in STARS, and maintain enrollment of children supported by CCFAP.

Sec. E.318.2 PRE-APPRENTICESHIP PROGRAM IN EARLY CHILDHOOD EDUCATION: APPROPRIATION

(a) Of the federal funds appropriated in Sec. B.318 of this act to the Department for Children and Families Division of Child Development, \$100,000 shall be transferred to Vermont Department of Labor for the pre-apprenticeship program in Early Childhood Education provided by Vermont Career and Technical Education centers.

Sec. E. 318.3 CHILD DEVELOPMENT DIVISION; STEP AHEAD
RECOGNITION SYSTEM

As part of its fiscal year 2023 budget adjustment presentation to the General Assembly, the Department for Children and Families shall present its proposed policy changes to the Step Ahead Recognition System (STARS) to the House Committee on Human Services and the Senate Committee on Health and Welfare. The Division's presentation shall summarize its proposed changes to STARS, including any anticipated impacts on child care providers and families.

Sec. E.318.4 CHILD DEVELOPMENT DIVISION INFORMATION
SYSTEM; MODERNIZATION; CHILD CARE FINANCIAL
ASSISTANCE PROGRAM

(a) On or before January 1, 2024, or six months after both the modernization of the Child Development Division Information System (CDDIS) pursuant to 2021 Acts and Resolves No. 45, Sec. 5 and the implementation of the corresponding eligibility changes to the Child Care Financial Assistance Program (CCFAP) pursuant to 2021 Acts and Resolves No. 45, Sec. 2 have taken effect, whichever is first occurring, the Department for Children and Families shall submit a written report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare evaluating the effectiveness of the CDDIS modernization project and the CCFAP eligibility changes. The report shall address how implementation of CDDIS and CCFAP changes impact the availability and affordability of child care throughout Vermont.

Sec. E.321 [Deleted.]

Sec. E.321.1 GENERAL ASSISTANCE HOUSING; ADVERSE
WEATHER CONDITIONS

(a) The Commissioner for Children and Families may, by policy, provide temporary housing for a limited duration in adverse weather conditions when appropriate shelter space is not available.

Sec. E.324 EXPEDITED CRISIS FUEL ASSISTANCE

(a) The Commissioner for Children and Families or designee may authorize crisis fuel assistance to those income-eligible households that have applied for an expedited seasonal fuel benefit but have not yet received it if the benefit cannot be executed in time to prevent them from running out of fuel. The crisis fuel grants authorized pursuant to this section count toward the one crisis fuel grant allowed per household for the winter heating season pursuant to 33 V.S.A. § 2609(b).

Sec. E.325 DEPARTMENT FOR CHILDREN AND FAMILIES – OFFICE
OF ECONOMIC OPPORTUNITY

(a) Of the funds appropriated in Sec. B.325 of this act, \$12,699,440 shall be granted to community agencies for homeless assistance by preserving existing services, increasing services, or increasing resources available statewide. These funds may be granted alone or in conjunction with federal Emergency Solutions Grants funds. Funds shall be administered in consultation with the Vermont Coalition to End Homelessness.

Sec. E.325.1 TRANSITIONAL HOUSING; RULEMAKING

(a) Notwithstanding 2022 Acts and Resolves No. 83, Sec. 54(c)(1), the Department for Children and Families may withdraw its permanent rule filing and shall file a second emergency rule to be effective upon the expiration of the Transitional Housing Program Emergency Rules (22-E07), adopted by the Department on March 31, 2022 and effective until September 28, 2022. The Department shall be deemed to have met the emergency rulemaking criteria in 3 V.S.A. § 844 if a second emergency rule that is substantially similar to the Transitional Housing Program Emergency Rules (22-E07) is adopted. The Department shall file permanent rules pursuant to 3 V.S.A. chapter 25 if the availability of federal ERAP funding extends beyond March 31, 2023.

(b) Prior to filing a second emergency rule pursuant to this section, the Department shall:

(1) send a draft of the second emergency rule to the Joint Fiscal Committee 30 days prior to its September 2022 meeting;

(2) present the second emergency rule and an update on the funding forecast for the transitional housing program at the Joint Fiscal Committee's September 2022 meeting and consider any input and recommendations offered by the Joint Fiscal Committee; and

(3) inform the General Assistance working group described in 2021 Acts and Resolves No. 74, Secs. E.321 and E.321.2 of any inconsistencies between the first and second emergency rules and consider any input on the changes offered by the working group.

Sec. E. 326 DEPARTMENT FOR CHILDREN AND FAMILIES – OFFICE
OF ECONOMIC OPPORTUNITY – WEATHERIZATION
ASSISTANCE

(a) Of the Special Fund appropriation in Sec. B.326 of this act, \$750,000 is for the replacement and repair of home heating equipment.

Sec. E.329 [Deleted.]

Sec. E.334 SPECIFIC HOME- AND COMMUNITY-BASED SERVICE
PROVIDER RATE STUDY; REPORT

(a) The Department of Vermont Health Access, in collaboration with the Department of Disabilities, Aging, and Independent Living, shall conduct a rate study of the Medicaid reimbursement rates paid for adult day, adult day rehabilitation, personal care, and homemaker services.

(b) On or before February 15, 2023, the Department of Vermont Health Access shall report the results of its rate study to the House Committees on Human Services and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations.

Sec. E.334.1 LONG-TERM CARE - PERSONAL NEEDS ALLOWANCE
INCREASE

(a) The amount of the State supplement for Medicaid beneficiaries who reside in a nursing home and receive Supplemental Security Income shall increase by 10 percent to the degree practicable effective January 1, 2023 but not later than January 1, 2024.

Sec. E.335 CORRECTIONS APPROPRIATIONS; UNEXPENDED FUNDS
TRANSFER; REPORT

(a) In fiscal year 2023, the Secretary of Administration may, upon recommendation of the Secretary of Human Services, transfer unexpended funds between the respective appropriations for correctional services; provided, however, that no transfer shall be made from correctional services out-of-state beds. At least three days prior to any such transfer being made, the Secretary of Administration shall report the intended transfer to the Joint Fiscal Office and shall report any completed transfers to the Joint Fiscal Committee at its next scheduled meeting.

(b) In fiscal year 2023, any unexpended funds for correctional services out-of-state beds shall be carried forward to fiscal year 2024, and the amount reported to the Joint Legislative Justice Oversight Committee in September 2023, to support community-based service programs. Funds may only be expended on community-based service programs upon approval of the Joint Legislative Justice Oversight Committee. The House Committees on Appropriations and on Corrections and Institutions and the Senate Committees on Appropriations and on Judiciary shall be notified of any proposed expenditures on community-based service programs.

(c) Any funds expended on community-based service programs pursuant to subsection (b) of this section shall be included in the subsequent year Department of Corrections budget for the same purpose at the same amount.

Sec. E.335.1 [Deleted]

Sec. E.335.2 28 V.S.A. § 125 is added to read:

§ 125. JUSTICE REINVESTMENT II INITIATIVES; REPORT

(a) On or before January 15 each year, the Commissioner of Corrections, in consultation with the Commissioners of Health, of Mental Health and for Children and Families and the Attorney General shall submit a report to the House Committees on Appropriations and on Corrections and Institutions and the Senate Committees on Appropriations and on Judiciary detailing the expenditures on Justice Reinvestment II and the following related initiatives:

(1) funding for domestic violence intervention programming in the Department of Corrections;

(2) funding for offender transitional housing capacity with the Department of Corrections and other departments;

(3) funding for the Department of Correction's data collection Offender Management System;

(4) funding for community-based mental health and substance use services for individuals under Department of Corrections supervision;

(5) funding provided for diversion and restorative justice programs including community justice centers, court diversion, and balanced and restorative justice (BARJ); and

(6) funding and a description of any other General Fund expenditures for Justice Reinvestment II initiatives.

(b) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

Sec. E.338 CORRECTIONS – CORRECTIONAL SERVICES

(a) Notwithstanding 32 V.S.A. § 3709(a), the special funds appropriation of \$152,000 for the supplemental facility payments to Newport and Springfield shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.345 [Deleted.]

* * * Labor * * *

Sec. E.400 [Deleted.]

Sec. E.400.1 [Deleted.]

* * * K-12 Education * * *

Sec. E.500 EDUCATION – FINANCE AND ADMINISTRATION

(a) The Global Commitment funds appropriated in this section shall be used for physician claims for determining medical necessity of Individualized Education Programs (IEPs). These services are intended to increase access to quality health care for uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.500.1 2021 Acts and Resolves No. 66, Sec. 14 is amended to read:

Sec. 14. FINDINGS AND PURPOSE

(a) Sec. E.500.1 of 2018 (Sp. Sess.) Acts and Resolves No. 11, as amended, requires that not later than July 1, 2022 all Vermont supervisory unions, supervisory districts, school districts, and independent technical center districts utilize the same ~~shared school district data management system (eFinancePlus)~~ Shared School District Data Management System (SSDDMS), which shall be selected by the Agency of Education per State procurement guidelines.

(b) The purpose of Secs. 15–17 of this act is to:

(1) extend the deadline to December 31, ~~2022~~ 2024 for statewide adoption of ~~eFinancePlus~~ SSDDMS;

(2) pause until ~~January 1, 2022~~ July 1, 2023 the further implementation of ~~eFinancePlus~~ SSDDMS to provide time for further evaluation of the system, provided that:

(A) the Agency of Education and its contractor for implementation of the system shall continue to support users of the system; and

(B) a supervisory union, supervisory district, school district, or independent technical center district ~~that does not use the system~~ may ~~join an implementation round offered by the Agency of Education~~ implement or leave SSDDMS during the pause period after consultation with the Agency of Education and upon approval by its governing body; and

* * *

Sec. E.500.2 2021 Acts and Resolves No. 66, Sec. 15 is amended to read:

Sec. 15. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.500.1, as amended by 2019 Acts and Resolves No. 72, Sec. E.500.5, is further amended to read:

Sec. E.500.1. SHARED SCHOOL DISTRICT FINANCIAL DATA
MANAGEMENT SYSTEM

(a) Not later than December 31, ~~2022~~ 2024, all Vermont supervisory unions, supervisory districts, school districts, and independent technical center districts shall utilize the same school finance and financial data management system. The system shall be selected by the Agency of Education per State procurement guidelines.

* * *

Sec. E.500.3 2021 Acts and Resolves No. 66, Sec. 16 is amended to read:

Sec. 16. PAUSE OF IMPLEMENTATION OF SHARED SCHOOL
DISTRICT FINANCIAL DATA MANAGEMENT SYSTEM

Notwithstanding Sec. E.500.1 of 2018 (Sp. Sess.) Acts and Resolves No. 11, as amended, the implementation of the Shared School District Data Management System (SSDDMS) shall be paused until ~~January 1, 2022~~ July 1, 2023, provided that:

(1) the Agency of Education and its contractor for implementation of the system shall continue to support users, as of the date of enactment of this act, of the system; and

(2) a supervisory union, supervisory district, school district, or independent technical center district ~~that does not use the system may join an implementation round offered by the Agency of Education~~ implement or leave SSDDMS during the pause period after consultation with the Agency of Education and upon approval by its governing body.

Sec. E.500.4 2021 Acts and Resolves No. 66, Sec. 17 is amended to read:

Sec. 17. AGENCY OF EDUCATION; REPORTS

(a) On or before June 30, 2021 and quarterly thereafter until March 31, ~~2023~~ 2025, the Agency of Education shall provide a written report to the General Assembly and the Vermont Association of School Business Officials on the status of improving and implementing the Shared School District Data Management System, including the status of:

* * *

Sec. E.500.5 AGENCIES OF EDUCATION AND OF DIGITAL SERVICES;
JOINT REPORT ON THE SHARED SCHOOL DISTRICT
DATA MANAGEMENT SYSTEM

(a) On or before December 15, 2022, the Agencies of Education and of Digital Services shall jointly submit a report to the House and Senate Committees on Education on the status of improving and implementing the

Shared School District Data Management System (SSDDMS) and a recommendation on whether to continue, discontinue, suspend, or delay implementation of SSDDMS and the reasons for their recommendation. In preparing their report, the Agencies of Education and of Digital Services shall solicit feedback from the Vermont Association of School Business Officials, school business managers and users and nonusers of SSDDMS around the State, the Vermont chapter of the American Association of School Personnel Administrators, and school human resources managers around the State.

Sec. E.500.6 2019 Acts and Resolves No. 1, Sec. 1, as amended by 2021 Acts and Resolves No. 66, Sec. 12, is further amended to read:

Sec. 1. ETHNIC AND SOCIAL EQUITY STANDARDS ADVISORY
WORKING GROUP

* * *

(d) Appointment and operation.

* * *

(D) The Working Group shall cease to exist on ~~July 1, 2022~~
July 1, 2023.

* * *

(g) Duties of the Working Group.

(1) The Working Group shall review standards for student performance adopted by the State Board of Education under 16 V.S.A. § 164(9) and, on or before December 31, ~~2021~~ 2022, recommend to the State Board updates and additional standards to recognize fully the history, contributions, and perspectives of ethnic groups and social groups. These recommended additional standards shall be designed to:

* * *

(h) Reports.

* * *

(3) The Working Group shall, on or before ~~December 31, 2022~~
June 30, 2023, submit a report to the General Assembly that includes:

* * *

(i) Duties of the State Board of Education. The Board of Education shall, on or before ~~December 31, 2022~~ June 30, 2023, consider adopting ethnic and social equity studies standards into standards for student performance adopted by the State Board under 16 V.S.A. § 164(9) for students in prekindergarten

through grade 12, taking into account the report submitted by the Working Group under subdivision (g)(1) of this section.

Sec. E. 500.7 2021 Acts and Resolves No. 66, Sec. 13 is amended to read:

* * *

(c) Any unused portion of these appropriations shall, as of July 1, 2022 2023, revert to the General Fund.

* * * Amendment to S.287, When Enacted * * *

Sec. E. 500.7 Subdivision (d)(1) of Sec. 4, amendment to 16 V.S.A. § 4010; determination of weighted long-term membership and per pupil education spending, of S.287 as enacted is amended to read:

(1) The Secretary shall first apply grade level weights. Each pupil included in long-term membership ~~from subsection (b) of this section~~ shall count as one, multiplied by the following amounts:

(A) prekindergarten—negative 0.54;

(B) grades six through eight—0.36; and

(C) grades nine through 12—0.39.

Sec. E.500.8 Subdivision (b)(1) of Sec. 7, calculation of tax rates; tax rate review; fiscal years 2025–2029; of S.287 as enacted is amended to read:

(b)(1) In order to determine which school districts shall be subject to a Tax Rate Review, the Secretary of Education shall calculate the fiscal year 2024 per pupil education spending, as defined in 16 V.S.A. § 4001(14) as in effect on July 1, 2024, of each school district subject to subsection (a) of this section as though the funding formula created under this act applied to fiscal year 2024. In fiscal year 2025, if a school district's per pupil education spending calculated using the funding formula created under this act increases by 10 percent or more over the school district's fiscal year 2024 per pupil education spending as calculated by the Secretary under this subsection, then the school district shall be subject to a Tax Rate Review. In fiscal years 2026–2029, if a school district's per pupil education spending calculated using the funding formula created under this act increases by 10 percent or more over the school district's prior fiscal year per pupil education spending, then the school district shall be subject to a Tax Rate Review. Upon request of the Secretary, a school district shall submit its budget to a Tax Rate Review to determine whether its increase in per pupil education spending was beyond the school district's control or for other good cause. In conducting the Review, the Secretary shall select three business managers and three superintendents to serve in an advisory role in the Review. The Review shall consider the extent

to which the increase in per pupil education spending is caused by at least the following factors:

(A) ~~the extent to which the increase in per pupil education spending is caused by declining enrollment in the school district; and declining enrollment in the school district;~~

(B) ~~the extent to which the increase in per pupil education spending is caused by~~ increases in tuition paid by the school district;

(C) costs associated with facilities improvements required to protect the health and safety of students, teachers, and staff; and

(D) new State and federal requirements.

Sec. E.500.9 Sec. 15, evaluation and reporting on implementation of act, of S.287 as enacted is amended to read:

Sec. 15. EVALUATION AND REPORTING ON IMPLEMENTATION OF ACT

(a) The Joint Fiscal Office shall design and contract for an evaluation of the impact of the changes required under this act in achieving the goals under Sec. 2 of this act. ~~On or before December 15, 2029, the Joint Fiscal Office shall submit to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance its written evaluation report. In order to maintain independence, the Joint Fiscal Office shall not contract with an individual who has consulted on, or contracted to provide services in relation to, the Pupil Weighting Factors Report dated December 24, 2019 or the December 17, 2021 report prepared in accordance with 2021 Acts and Resolves No. 59.~~

(b) The contractor shall consult with the Joint Fiscal Office and the Agency of Education to determine appropriate metrics such as Vermont Education Quality Standards and other common educational standards; standardized test scores, graduation rates, and other student performance measures; student health and wellness measures; budget and finance measures; teacher and staff compensation comparisons; and educational opportunity comparisons across school districts. The evaluation shall be conducted using rigorous and objective standards for fiscal and educational program review.

(c) On or before December 15, 2029, the Joint Fiscal Office shall submit to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance its written evaluation report.

Sec. E.501 AGENCY OF EDUCATION; ESSER III FUND PLAN

(a) The following sums are appropriated from the ESSER III funds provided to the State pursuant to Sec. 2001(f) of the American Rescue Plan Act of 2021 to the Agency of Education in fiscal year 2023:

(1) \$2,852,234 for Evidence-Based Summer Programming for the implementation of evidence-based summer enrichment programs and to ensure such programs respond to students' academic, social, and emotional needs and address the disproportionate impact of the coronavirus on the student populations described in section 1111(b)(2)(B)(xi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi)), students experiencing homelessness, and children and youth in foster care.

(2) \$2,852,234 for Evidence-Based Afterschool Programming for the implementation of evidence-based comprehensive afterschool programs, and to ensure such programs respond to students' academic, social, and emotional needs and address the disproportionate impact of the coronavirus on the student populations described in section 1111(b)(2)(B)(xi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi)), students experiencing homelessness, and children and youth in foster care.

(3) \$1,352,170 to address lost instructional time due to COVID-19 in accordance with 2021 Acts and Resolves No. 28 to support literacy with a specific prioritization for the implementation of 2018 Acts and Resolves No. 173.

(4) \$1,130,586 for meeting other needs as determined by the State educational agency (AOE) to address issues in responding to COVID-19. This may include the implementation of a facilities planning grant program per 2021 Acts and Resolves No. 72.

Sec. E.502 EDUCATION – SPECIAL EDUCATION: FORMULA GRANTS

(a) Of the appropriation authorized in Sec. B.502 of this act, and notwithstanding any other provision of law, an amount not to exceed \$4,073,400 shall be used by the Agency of Education in fiscal year 2023 as funding for 16 V.S.A. § 2967(b)(2)–(6). In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

Sec. E.504.1 EDUCATION – FLEXIBLE PATHWAYS

(a) Of the appropriation in Sec. B.504 of this act, \$2,100,000 from the Education Fund shall be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 943(c).

(b) Notwithstanding 16 V.S.A. § 4025(b), of this Education Fund appropriation, the amount of:

(1) \$921,500 is available for dual enrollment programs notwithstanding 16 V.S.A. § 944(f)(2);

(2) \$1,800,000 is available to support the Vermont Virtual High School;

(3) \$400,000 is available for secondary school reform grants; and

(4) \$3,000,000 is available for Early College pursuant to 16 V.S.A. § 4011(e).

(c) Of the appropriation in Sec. B.504 of this act, \$921,500 from the General Fund is available for dual enrollment programs.

Sec. E.514 STATE TEACHERS' RETIREMENT SYSTEM

(a) In accordance with 16 V.S.A. § 1944(g)(2), and consistent with system changes enacted for fiscal year 2023 in the 2022 session, the annual contribution to the State Teachers' Retirement System (STRS) shall be \$194,161,651 of which \$187,273,782 shall be the State's contribution and \$6,887,869 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$34,342,965 is the "normal contribution," and \$159,818,686 is the "accrued liability contribution."

Sec. E.515 RETIRED TEACHERS' HEALTH CARE AND MEDICAL BENEFITS

(a) In accordance with 16 V.S.A. § 1944b(b)(2), and consistent with system changes enacted for fiscal year 2023 in the 2022 session, the annual contribution to the Retired Teachers' Health and Medical Benefits plan shall be \$50,206,128.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$15,100,000 is the "normal contribution," and \$35,106,128 is the "accrued liability contribution."

* * * Higher Education * * *

Sec. E.600 UNIVERSITY OF VERMONT

(a) The Commissioner of Finance and Management shall issue warrants to pay 1/12 of the appropriation in Sec. B.600 of this act to the University of Vermont on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$380,326 shall be transferred to the Experimental Program to Stimulate Competitive Research (EPSCoR) for the purpose of

complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.602 VERMONT STATE COLLEGES

(a) The Commissioner of Finance and Management shall issue warrants to pay 1/12 of the appropriation in Sec. B.602 of this act to the Vermont State Colleges on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$427,898 shall be transferred to the Vermont Manufacturing Extension Center for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.603 VERMONT STATE COLLEGES – ALLIED HEALTH

(a) If Global Commitment fund monies are unavailable, the total grant funding for the Vermont State Colleges shall be maintained through the General Fund or other State funding sources.

(b) The Vermont State Colleges shall use the Global Commitment funds appropriated in Sec. B.603 of this act to support the dental hygiene, respiratory therapy, and nursing programs that graduate approximately 315 health care providers annually. These graduates deliver direct, high-quality health care services to Medicaid beneficiaries or uninsured or underinsured persons.

Sec. E.605 VERMONT STUDENT ASSISTANCE CORPORATION

(a) Of the appropriation in Sec. B.605 of this act, \$25,000 is appropriated from the General Fund to the Vermont Student Assistance Corporation (VSAC) to be deposited into the Trust Fund established in 16 V.S.A. § 2845.

(b) Of the appropriated amount remaining after accounting for subsection (a) of this section, not less than 93 percent of this appropriation shall be used for direct student aid.

(c) To the extent other funding is provided to VSAC in this act or other legislation enacted into law this year, up to six percent, but not to exceed \$100,000, may be used for staff expenses associated with administering the funds. Funds shall not be used for indirect costs. To the extent these are federal funds, allocation for expenses associated with administering the funds shall be consistent with federal grant requirements.

Sec. E.605.1 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND
EARLY COLLEGE STUDENTS

(a) Notwithstanding 16 V.S.A. § 4025(b), the sum of \$41,225 in education funds and \$41,225 in general funds is appropriated to the Vermont Student Assistance Corporation (VSAC) for dual enrollment and need-based stipend

purposes to fund a flat-rate, need-based stipend or voucher program for financially needy students enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early college pursuant to 16 V.S.A. § 946 to be used for the purchase of books, cost of transportation, and payment of fees. VSAC shall establish the criteria for program eligibility. Funds shall be granted to eligible students on a first-come, first-served basis until funds are depleted.

(b) VSAC shall report on the program to the House Committees on Appropriations and on Commerce and Economic Development and to the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs on or before January 15, 2023.

Sec. E.700 10 V.S.A. § 581 is amended to read:

§ 581. BUILDING EFFICIENCY GOALS

It shall be goals of the State:

(1) To improve substantially the energy fitness of at least 20 percent of the State's housing stock by 2017 (more than 60,000 housing units), and 25 percent of the State's housing stock by 2020 (approximately 80,000 housing units) 120,000 housing units and reduce greenhouse gas emissions by 0.15 MMTCO₂e by 2031.

* * *

Sec. E.702 23 V.S.A. § 3513 is amended to read:

§ 3513. LIABILITY INSURANCE; AUTHORITY TO CONTRACT FOR
LAW ENFORCEMENT SERVICES

(a) The amount of 85 percent of the fees and penalties collected under this chapter, except interest, is allocated to the Agency of Natural Resources Department of Forests, Parks and Recreation for use by the Vermont ATV Sportsman's Association (VASA) for development and maintenance of a Statewide ATV Trail Program, for trail liability insurance, and to contract for law enforcement services with any constable, sheriff's department, municipal police department, the Department of Public Safety, and the Department of Fish and Wildlife for purposes of trail compliance pursuant to this chapter. The Departments of Public Safety and of Fish and Wildlife are authorized to contract with VASA to provide these law enforcement services. The Agency of Natural Resources The Department of Forests, Parks and Recreation shall retain for its use up to \$7,000.00 during each fiscal year to be used for administration of this Program.

* * *

Sec. E.709 10 V.S.A. § 1283(g)(3) is amended to read:

(3) “Release” means any intentional or unintentional action or omission resulting in the spilling, leaking, pumping, pouring, emitting, emptying, dumping, or disposing of hazardous materials into the surface or groundwaters, or onto the lands in the State, or into waters outside the jurisdiction of the State when damage may result to the public health, lands, waters, or natural resources within the jurisdiction of the State. “Release” also means the intentional or unintentional action or omission resulting in the spilling, leaking, emission, or disposal of polychlorinated biphenyls (PCBs) from building materials in ~~a building or structure~~ public schools and approved and recognized independent schools, as those terms are defined in 16 V.S.A. § 11, that were constructed or renovated before 1980.

Sec. E.709.1 10 V.S.A. § 6602(17) is amended to read:

(17) “Release” means any intentional or unintentional action or omission resulting in the spilling, leaking, pumping, pouring, emitting, emptying, dumping, or disposing of hazardous materials into the surface or groundwaters, or onto the lands in the State, or into waters outside the jurisdiction of the State when damage may result to the public health, lands, waters, or natural resources within the jurisdiction of the State. “Release” also means the intentional or unintentional action or omission resulting in the spilling, leaking, emission, or disposal of polychlorinated biphenyls (PCBs) from building materials in ~~a building or structure~~ public schools and approved and recognized independent schools, as those terms are defined in 16 V.S.A. § 11, that were constructed or renovated before 1980.

Sec. E.709.2 REPORT ON REGULATION OF PCB RELEASES FROM
BUILDING MATERIALS IN NONSCHOOL BUILDINGS

On or before January 15, 2023, the Secretary of Natural Resources shall submit to the Senate Committees on Appropriations and on Natural Resources and Energy and the House Committees on Appropriations and on Natural Resources, Fish, and Wildlife a report regarding the indoor air quality testing of buildings for releases of polychlorinated biphenyls (PCBs) from building materials. The report shall include:

(1) a proposal for the best method for regulating releases of PCBs from PCB-containing building materials in non-school buildings;

(2) a proposal of who will be required to test for a release or potential release of PCBs from building materials, including whether and how testing will be required under the Brownfields Reuse and Environmental Liability Limitation Program or as part of an environmental assessment for a property transaction;

(3) a summary of when during a corrective action or property transaction testing would be required and why it would be required;

(4) the standard or standards that would be utilized to determine if a release occurred;

(5) the action or remediation that would be required if PCBs are identified in excess of the proposed standard;

(6) how responsive action or remediation would be funded, including potential federal or State sources of funding; and

(7) how the requirement to test may affect investment in the redevelopment of historic downtowns or similar areas.

* * * Transportation * * *

Sec. E.903 MULTI-AGENCY INVESTMENTS IN ELECTRIC VEHICLE SUPPLY EQUIPMENT INFRASTRUCTURE

(a) Definitions. As used in this section:

(1) “Area median income” means the county or Metropolitan Statistical Area median income published by the federal Department of Housing and Urban Development.

(2) “Electric vehicle supply equipment (EVSE)” has the same meaning as in 30 V.S.A. § 201.

(3) “Level 1 charger” or “level 1 EVSE” means EVSE that plugs directly into a standard 120-volt AC outlet and supplies an average output of 1.3 to 2.4 kilowatts.

(4) “Level 2 charger” or “level 2 EVSE” means galvanically connected EVSE with a single-phase input voltage range from 208 to 240 volts AC and a maximum output current less than or equal to 80 amperes AC.

(5) “Level 3 charger,” “level 3 EVSE,” or “direct-current fast charger (DCFC),” means EVSE that uses dedicated direct current (DC) to provide energy to a plug-in electric vehicle.

(6) “Multiunit affordable housing” means a multiunit dwelling where:

(A) at least 50 percent of the units are or will be occupied by households whose income does not exceed 100 percent of the greater of the State or area median income; or

(B) all units are affordable to households earning between 60 and 120 percent of area median income.

(7) “Multiunit dwelling” means a housing project, such as cooperatives, condominiums, dwellings, or mobile home parks, with three or more units constructed or maintained on a tract or tracts of land.

(8) “Workplace” means a place where an individual works.

(b) Housing, employers, and public venues and attractions.

(1) In fiscal year 2023, \$10,000,000 is appropriated in Sec. G.600 (b) of this act to the Agency of Commerce and Community Development to support the following:

(A) one or more grant programs, which may build upon the existing EVSE Grant Program, to support the continued buildout of level 1 and 2 EVSE at multiunit dwellings, including multiunit affordable housing, with less than 20 units prioritized and not less than 30 percent of the total appropriation, less the administration expenses allowed under subsection (d c) of this section, allocated to this purpose;

(B) one or more grant programs, which may build upon the existing EVSE Grant Program, to support the continued buildout of level 1 and 2 EVSE at private workplaces, with the workplaces of employers with fewer than 100 employees prioritized;

(C) one or more grant programs, which may build upon the existing EVSE Grant Program, to support the continued buildout of level 1, 2, and 3 EVSE at public venues and attractions, such as parks, State parks and access areas, downtowns, museums, and ski mountains, that are available to any member of the public; and

(D) the purchase and installation of level 1 and 2 EVSE that is available to the public at State workplaces or to provide grants to persons for the purchase and installation of level 1 and 2 EVSE that is available to the public at State workplaces, or both.

(2) If the Agency of Commerce and Community Development, in consultation with the EVSE Interagency Workgroup, determines that programmatic funding remains available following the first round of grant awards made under subdivision (1) of this subsection, then the balance of the \$10,000,000 shall be awarded in grants that prioritize placing EVSE at multiunit affordable housing and workplaces of employers with fewer than 100 employees.

(c) Administration costs. The Agency of Commerce and Community Development may use up to 15 percent of the appropriation in subsection (b) of this section for administrative costs associated with installing EVSE at multiunit housing, workplaces, and public venues and attractions.

(d) Carryforward; deployment in fiscal year 2023.

(1) Notwithstanding any other provision of law and subject to the approval of the Secretary of Administration, appropriations to support the expenditures under this section remaining unexpended on June 30, 2023 shall be carried forward and designated for the same expenditures in the subsequent fiscal year.

(2) Every reasonable effort shall be made to obligate and deploy the monies appropriated for expenditure under this section in fiscal year 2023 in order to achieve a pace of EVSE deployment necessary to meet the emissions reduction requirements of 10 V.S.A. § 578(a) and the recommendations of the Climate Action Plan (CAP) issued under 10 V.S.A. § 592.

(e) Outreach and marketing. The Agency of Commerce and Community Development shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of the EVSE grant programs implemented pursuant to subsection (b) of this section and such costs shall be considered administrative costs for purposes of subsection (c) of this section.

* * * Collective Bargaining Agreements; Fiscal Years 2023 and 2024 * * *

Sec. F.100 COLLECTIVE BARGAINING AGREEMENTS; FISCAL YEAR
2023 AND 2024

(a) Fiscal year 2023. This act fully funds the first year of the collective bargaining agreements between the State and the Vermont State Employees' Association and the State and the Vermont Troopers' Association for the period of July 1, 2022 through June 30, 2023. The collective bargaining agreements for classified employees provide in fiscal year 2023 an average 1.9 percent step increase and 3.0 percent across-the-board increase for a total of a 4.9 percent increase, plus a one-time cash payment of \$1,500.00.

(b) Fiscal year 2024. This act fully funds the second year of the collective bargaining agreements between the State and the Vermont State Employees' Association and the State and the Vermont Troopers' Association for the period of July 1, 2023 through June 30, 2024. The collective bargaining agreements for classified employees provide in fiscal year 2024 an average 1.9 percent step increase and 2.0 percent across-the-board increase for a total of a 3.9 percent increase, plus a one-time cash payment of \$1,000.00.

* * * Exempt Employees; Fiscal Years 2023 and 2024 * * *

Sec. F.101 EXEMPT EMPLOYEES; PERMITTED SALARY INCREASES;
FISCAL YEARS 2023 AND 2024

(a) Fiscal year 2023. Executive, Judicial, and Legislative Branches may extend the fiscal year 2023 provisions of the collective bargaining agreements that are funded by this act to employees not covered by the bargaining agreements as they determine to be appropriate and in accordance with the appropriations provided to each branch.

(b) Fiscal year 2024. Executive, Judicial, and Legislative Branches may extend the fiscal year 2024 provisions of the collective bargaining agreements that are funded by this act to employees not covered by the bargaining agreements as they determine to be appropriate and in accordance with the appropriations provided to each branch.

Sec. F.102 EXECUTIVE BRANCH; EXEMPT AGENCY AND
DEPARTMENT HEADS, DEPUTIES, AND EXECUTIVE
ASSISTANTS; ANNUAL SALARY ADJUSTMENT AND
OR BONUS

(a) Fiscal year 2023. For purposes of determining annual salary adjustments, special salary increases, and bonuses under 32 V.S.A. §§ 1003(b) and 1020(b), “the average rate of adjustment available to classified employees under the collective bargaining agreement” shall be, in fiscal year 2023, 4.9 percent.

(b) Fiscal year 2024. For purposes of determining annual salary adjustments, special salary increases, and bonuses under 32 V.S.A. §§ 1003(b) and 1020(b), “the average rate of adjustment available to classified employees under the collective bargaining agreement” shall be, in fiscal year 2024, 3.9 percent.

* * * Executive Branch; Miscellaneous Statutory Salaries;
Fiscal Years 2023 and 2024 * * *

Sec. F.103 32 V.S.A. § 1003 is amended to read:

§ 1003. STATE OFFICERS

(a) Each elective officer of the Executive Department is entitled to an annual salary as follows:

<u>Annual</u>	<u>Annual</u>	<u>Annual</u>	<u>Annual</u>
<u>Salary</u>	<u>Salary</u>	<u>Salary</u>	<u>Salary</u>
<u>as of</u>	<u>as of</u>	<u>as of</u>	<u>as of</u>
<u>January 5,</u>	<u>July 4,</u>	<u>July 3,</u>	<u>July 2,</u>

	2020	2021	<u>2022</u>	<u>2023</u>
Governor	\$184,113	\$191,754	<u>\$201,150</u>	<u>\$208,995</u>
Lieutenant Governor	78,153	81,396	<u>\$85,384</u>	<u>\$88,714</u>
Secretary of State	116,745	121,590	<u>\$127,548</u>	<u>\$132,522</u>
State Treasurer	116,745	121,590	<u>\$127,548</u>	<u>\$132,522</u>
Auditor of Accounts	116,745	121,590	<u>\$127,548</u>	<u>\$132,522</u>
Attorney General	139,790	145,591	<u>\$152,725</u>	<u>\$158,681</u>

(b) The Governor may appoint each officer of the Executive Branch listed in this subsection at a starting salary ranging from the base salary stated for that position to a salary that does not exceed the maximum salary unless otherwise authorized by this subsection. The maximum salary for each appointive officer shall be 50 percent above the base salary. Annually, the Governor may grant to each of those officers an annual salary adjustment subject to the maximum salary. The annual salary adjustment granted to officers under this subsection shall not exceed the average rate of adjustment available to classified employees under the collective bargaining agreement then in effect. In addition to the annual salary adjustment specified in this subsection, the Governor may grant a special salary increase subject to the maximum salary, or a bonus, to any officer listed in this subsection whose job duties have significantly increased, or whose contributions to the State in the preceding year are deemed especially significant. Special salary increases or bonuses granted to any individual shall not exceed the average rate of adjustment available to classified employees under the collective bargaining agreement then in effect.

(1) Heads of the following Departments and Agencies:

	Base Salary as of January 5, 2020	Base Salary as of July 4, 2021	Base Salary as of <u>July 3,</u> <u>2022</u>	Base Salary as of <u>July 2,</u> <u>2023</u>
(A) Administration	\$111,332	\$115,952	<u>\$121,634</u>	<u>\$126,378</u>
(B) Agriculture, Food and Markets	111,332	115,952	<u>\$121,634</u>	<u>\$126,378</u>
(C) Financial Regulation	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>

(D) Buildings and General Services	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(E) Children and Families	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(F) Commerce and Community Development	111,332	115,952	<u>\$121,634</u>	<u>\$126,378</u>
(G) Corrections	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(H) Defender General	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(I) Disabilities, Aging, and Independent Living	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(J) Economic Development	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(K) Education	111,332	115,952	<u>\$121,634</u>	<u>\$126,378</u>
(L) Environmental Conservation	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(M) Finance and Management	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(N) Fish and Wildlife	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(O) Forests, Parks and Recreation	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(P) Health	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(Q) Housing and Community Development	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(R) Human Resources	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(S) Human Services	111,332	115,952	<u>\$121,634</u>	<u>\$126,378</u>
(T) Digital Services	111,332	115,952	<u>\$121,634</u>	<u>\$126,378</u>
(U) Labor	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>

(V) Libraries	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(W) Liquor and Lottery	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(X) [Repealed.]				
(Y) Mental Health	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(Z) Military	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(AA) Motor Vehicles	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(BB) Natural Resources	111,332	115,952	<u>\$121,634</u>	<u>\$126,378</u>
(CC) Natural Resources Board Chair	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(DD) Public Safety	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(EE) Public Service	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(FF) Taxes	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(GG) Tourism and Marketing	94,413	98,331	<u>\$103,149</u>	<u>\$107,172</u>
(HH) Transportation	111,332	115,952	<u>\$121,634</u>	<u>\$126,378</u>
(II) Vermont Health Access	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>
(JJ) Veterans' Home	104,079	108,398	<u>\$113,710</u>	<u>\$118,145</u>

(2) ~~The Secretary of Administration may include the Director of the Office of Professional Regulation in any pay plans that may be established under the authority of subsection 1020(c) of this title, provided the minimum hiring rate does not fall below a base salary, as of January 5, 2020 of \$80,041.00 and as of July 4, 2021 of \$83,363.00. [Repealed.]~~

(3) If the Chair of the Natural Resources Board is employed on less than a full-time basis, the hiring and salary maximums for that position shall be reduced proportionately.

(4) When a permanent employee is appointed to an exempt position, the Governor may authorize such employee to retain the present salary even though it is in excess of any salary maximum provided in statute.

* * *

(d) Notwithstanding the maximum salary established in subsection (b) of this section, the Defender General shall not receive compensation in excess of the compensation established for the Attorney General in this section.

(e) Notwithstanding the maximum salary established in subsection (b) of this section, the maximum salary for the Commissioner of Health shall not exceed ~~\$150,000.00~~ 100 percent above the base salary for this position.

* * * Judicial Branch; Statutory Salaries; Fiscal Years 2023 and 2024 * * *

Sec. F.104 32 V.S.A. § 1003(c) is amended to read:

(c) The officers of the Judicial Branch named in this subsection shall be entitled to annual salaries as follows:

	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>January 5,</u> <u>2020</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 4,</u> <u>2021</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 3,</u> <u>2022</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 2,</u> <u>2023</u>
(1) Chief Justice of Supreme Court	\$177,203	\$184,557	\$193,600	\$201,150
(2) Each Associate Justice	169,121	176,140	\$184,771	\$191,977
(3) Administrative Judge	169,121	176,140	\$184,771	\$191,977
(4) Each Superior Judge	160,777	167,449	\$175,654	\$182,505
(5) [Repealed.]				
(6) Each Magistrate	121,224	126,255	\$132,441	\$137,606
(7) Each Judicial Bureau hearing officer	121,224	126,255	\$132,441	\$137,606

Sec. F.105 32 V.S.A. § 1141 is amended to read:

§ 1141. ASSISTANT JUDGES

(a)(1) Each assistant judge of the Superior Court shall be entitled to receive compensation in the amount of ~~\$185.86~~ \$203.05 a day as of ~~January 5, 2020~~ July 3, 2022 and ~~\$193.57~~ \$210.97 a day as of ~~July 4, 2021~~ 2, 2023 for time spent in the performance of official duties and necessary expenses as allowed

to classified State employees. Compensation under this section shall be based on a two-hour minimum and hourly thereafter.

(2)(A) The compensation paid to an assistant judge pursuant to this section shall be paid by the State except as provided in subdivision (B) of this subdivision (2).

(B) The compensation paid to an assistant judge pursuant to this section shall be paid by the county at the State rate established in subdivision (a)(1) of this section when an assistant judge is sitting with a presiding Superior judge in the Civil or Family Division of the Superior Court.

(b) Assistant judges of the Superior Court shall be entitled to receive pay for such days as they attend court when it is in actual session, or during a court recess when engaged in the special performance of official duties.

Sec. F.106 32 V.S.A. § 1142 is amended to read:

§ 1142. PROBATE JUDGES

(a) The Probate judges in the several Probate Districts shall be entitled to receive the following annual salaries, which shall be paid by the State in lieu of all fees or other compensation:

	<u>Annual Salary as of January 5, 2020</u>	<u>Annual Salary as of July 4, 2021</u>	<u>Annual Salary as of July 3, 2022</u>	<u>Annual Salary as of July 2, 2023</u>
(1) Addison	\$63,384	\$66,014	\$69,249	\$71,950
(2) Bennington	80,127	83,452	\$87,541	\$90,955
(3) Caledonia	56,210	58,543	\$61,412	\$63,807
(4) Chittenden	133,720	139,269	\$146,093	\$151,791
(5) Essex	15,703	16,355	\$17,156	\$17,825
(6) Franklin	63,384	66,014	\$69,249	\$71,950
(7) Grand Isle	15,703	16,355	\$17,156	\$17,825
(8) Lamoille	44,249	46,085	\$48,343	\$50,228
(9) Orange	52,620	54,804	\$57,489	\$59,731
(10) Orleans	51,425	53,559	\$56,183	\$58,374
(11) Rutland	113,613	118,328	\$124,126	\$128,967
(12) Washington	87,301	90,924	\$95,379	\$99,099

(13) Windham	70,560	73,488	<u>\$77,089</u>	<u>\$80,095</u>
(14) Windsor	95,674	99,644	<u>\$104,527</u>	<u>\$108,604</u>

(b) Probate judges shall be entitled to be paid by the State for their actual and necessary expenses under the rules and regulations pertaining to classified State employees. The compensation for the Probate judge of the Chittenden District shall be for full-time service.

(c) All Probate judges, regardless of the number of hours worked annually, shall be eligible to participate in all employee benefits that are available to exempt employees of the Judicial Department.

* * * Sheriffs; Statutory Salaries; Fiscal Years 2023 and 2024 * * *

Sec. F.107 32 V.S.A. § 1182 is amended to read:

§ 1182. SHERIFFS

(a) The sheriffs of all counties except Chittenden shall be entitled to receive salaries in the amount of ~~\$86,116.00~~ \$94,085 as of ~~January 5, 2020~~ July 3, 2022 and ~~\$89,690.00~~ \$97,754 as of ~~July 4, 2021~~ 2, 2023. The Sheriff of Chittenden County shall be entitled to an annual salary in the amount of ~~\$91,133.00~~ \$99,566 as of ~~January 5, 2020~~ July 3, 2022 and ~~\$94,915.00~~ \$103,449 as of ~~July 4, 2021~~ 2, 2023.

(b) Compensation under subsection (a) of this section shall be reduced by 10 percent for any sheriff who has not obtained Level III law enforcement officer certification under 20 V.S.A. § 2358.

* * * State's Attorneys; Statutory Salaries; Fiscal Years 2023 and 2024 * * *

Sec. F.108 32 V.S.A. § 1183 is amended to read:

§ 1183. STATE'S ATTORNEYS

(a) The State's Attorneys shall be entitled to receive annual salaries as follows:

	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>January 5,</u> <u>2020</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 4,</u> <u>2021</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 3,</u> <u>2022</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 2,</u> <u>2023</u>
(1) Addison County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>
(2) Bennington County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>
(3) Caledonia County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>

(4) Chittenden County	\$121,782	\$126,836	<u>\$133,051</u>	<u>\$138,240</u>
(5) Essex County	\$87,366	\$90,992	<u>\$95,451</u>	<u>\$99,174</u>
(6) Franklin County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>
(7) Grand Isle County	\$87,366	\$90,992	<u>\$95,451</u>	<u>\$99,174</u>
(8) Lamoille County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>
(9) Orange County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>
(10) Orleans County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>
(11) Rutland County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>
(12) Washington County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>
(13) Windham County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>
(14) Windsor County	\$116,486	\$121,320	<u>\$127,265</u>	<u>\$132,228</u>

* * *

* * * Appropriations * * *

Sec. F.109 PAY ACT APPROPRIATIONS; FISCAL YEARS 2023 AND
2024

(a) Executive Branch. The first and second years of the two-year agreements between the State of Vermont and the Vermont State Employees' Association for the Defender General, Non-Management, Supervisory, and Corrections bargaining units, and, for the purpose of appropriation, the State's Attorneys' offices bargaining unit, for the period of July 1, 2022 through June 30, 2024; the collective bargaining agreement with the Vermont Troopers' Association for the period of July 1, 2022 through June 30, 2024; and salary increases for employees in the Executive Branch not covered by the bargaining agreements shall be funded as follows:

(1) Fiscal year 2023.

(A) General Fund. The amount of \$23,614,294.00 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2023 collective bargaining agreements and the requirements of this act.

(B) Transportation Fund. The amount of \$1,502,420.00 is appropriated from the Transportation Fund to the Secretary of Administration for distribution to the Agency of Transportation and the Department of Public Safety to fund the fiscal year 2023 collective bargaining agreements and the requirements of this act.

(C) Other funds. The Administration shall provide additional spending authority to departments through the existing process of excess receipts to fund the fiscal year 2023 collective bargaining agreements and the requirements of this act. The estimated amounts are \$35,872,729.00 from a special fund, federal funds, and other sources.

(D) Transfers. With due regard to the possible availability of other funds, for fiscal year 2023, the Secretary of Administration may transfer from the various appropriations and various funds and from the receipts of the Liquor Control Board such sums as the Secretary may determine to be necessary to carry out the purposes of this act to the various agencies supported by State funds.

(2) Fiscal year 2024.

(A) General Fund. The amount of \$19,029,823.00 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2024 collective bargaining agreements and the requirements of this act.

(B) Transportation Fund. The amount of \$2,500,000.00 is appropriated from the Transportation Fund to the Secretary of Administration for distribution to the Agency of Transportation and the Department of Public Safety to fund the fiscal year 2024 collective bargaining agreements and the requirements of this act.

(C) Other funds. The Administration shall provide additional spending authority to departments through the existing process of excess receipts to fund the fiscal year 2024 collective bargaining agreements and the requirements of this act. The estimated amounts are \$27,500,943.00 from a special fund, federal funds, and other sources.

(D) Transfers. With due regard to the possible availability of other funds, for fiscal year 2024, the Secretary of Administration may transfer from the various appropriations and various funds and from the receipts of the Liquor Control Board such sums as the Secretary may determine to be necessary to carry out the purposes of this act to the various agencies supported by State funds.

(3) This section shall include sufficient funding to ensure administration of exempt pay plans authorized by 32 V.S.A. § 1020(c).

(b) Judicial Branch.

(1) The Chief Justice of the Vermont Supreme Court may extend the provisions of the Judiciary's collective bargaining agreement to Judiciary employees who are not covered by the bargaining agreement.

(2) Fiscal year 2023. The first year of the two-year agreements between the State of Vermont and the Vermont State Employees' Association for the judicial bargaining unit for the period of July 1, 2022 through June 30, 2023 and salary increases for employees in the Judicial Branch not covered by the bargaining agreements shall be funded as follows: the amount of \$3,217,628.00 is appropriated from the General Fund and the amount of \$287,032.00 is provided from other sources to the Judiciary to fund the fiscal year 2023 collective bargaining agreement and the requirements of this act.

(3) Fiscal year 2024. The second year of the two-year agreements between the State of Vermont and the Vermont State Employees' Association for the judicial bargaining unit for the period of July 1, 2023 through June 30, 2024 and salary increases for employees in the Judicial Branch not covered by the bargaining agreements shall be funded as follows: the amount of \$1,803,013.00 is appropriated from the General Fund and the amount of \$160,840.00 is provided from other sources to the Judiciary to fund the fiscal year 2024 collective bargaining agreement and the requirements of this act.

(c) Legislative Branch.

(1) For the period of July 1, 2022 through June 30, 2023, the General Assembly including all Legislative Branch employees shall be funded as follows: the amount of \$985,111.00 is appropriated from the General Fund to the Legislative Branch.

(2) For the period of July 1, 2023 through June 30, 2024, the General Assembly including all Legislative Branch employees shall be funded as follows: the amount of \$776,000.00 is appropriated from the General Fund to the Legislative Branch.

* * * American Rescue Plan Act Appropriations * * *

* * * Intent and Other Funding * * *

Sec. G.100 MULTIYEAR FUNDING PRIORITIES INTENT

(a) The appropriations of ARPA – Coronavirus State Fiscal Recovery Funds in made in Secs. G.300–G.700 of this act by categorical areas are made consistent with the intent expressed in Sec. G.100 of 2021 Acts and Resolves No. 74 (the Big Bill), and reiterated in 2022 Acts and Resolves No. 83, Sec. 67a. In some cases, other funding sources are included or are referenced for specific programs or projects providing comprehensive funding by category. All appropriations of ARPA funds in this act are made only to the extent permitted by federal law and guidance. Appropriations not expended in fiscal year 2023 shall carry forward.

Sec. G.200 AMERICAN RESCUE PLAN ACT (ARPA) - CORONAVIRUS
STATE FISCAL RECOVERY FUND (SFR)
APPROPRIATIONS; REVERSION AND REALLOCATION;
REPORTS

(a) On or before September 15, 2022 and annually thereafter until September 15, 2026, the Commissioner of Finance and Management shall submit a report to the Joint Fiscal Committee on the status of all appropriations made from the Coronavirus State and Local Fiscal Recovery Fund (SLFR) provided to the State from the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (ARPA). The report shall include updates on project eligibility, obligated funds, actual expenditures, and any compliance or reporting issues.

(b) On or before January 15, 2023, the Commissioner of Finance and Management shall provide an update to the September 15, 2022 ARPA report described in subsection (a) of this section to the House and Senate Committees on Appropriations, including recommendations, if any, for reallocation of ARPA SLFR funds in the fiscal year 2023 budget adjustment act.

* * * Economy, Workforce, and Communities * * *

Sec. G.300 INVESTMENTS IN VERMONT'S ECONOMY,
WORKFORCE, AND COMMUNITIES

(a) \$48,700,000 in fiscal year 2023 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds as follows:

(1) \$1,050,000 to the Natural Resources Board, to be used as needed to prioritize and expedite permitting of ARPA-funded projects, including the costs of three exempt limited-service positions.

(2) \$750,000 to the Secretary of State for expenses related to telehealth.

(3) \$14,900,000 to the Vermont State Colleges for bridge funding to transform the system. This includes offsets to continuing costs and impacts from COVID-19 pandemic.

(4) \$2,000,000 to the Department for Children and Families' Economic Services Division to grant to the Vermont Foodbank to support access to food for Vermonters with low income.

(5) \$30,000,000 to the Agency of Commerce and Community Development for the Community Recovery and Grant Revitalization Program.

(b) General Fund Workforce Appropriations. In fiscal year 2023, \$1,500,000 is appropriated from the General Fund to Vermont Student

Assistance Corp (VSAC) 802 Opportunity Program for increasing the household income eligibility limit from \$50,000 to \$75,000.

(c) Community Economic Development. \$12,200,000 is appropriated in fiscal year 2023 from the General Fund for community based economic development initiatives as follows:

(1) \$5,000,000 to the Department of Forests, Parks and Recreation for the Vermont Outdoor Recreation Economic Collaborative (VOREC) Community Grant Program.

(2) \$6,000,000 to the Department of Economic Development for the remediation and redevelopment of brownfield sites.

(3) \$800,000 to the Agency of Transportation to grant to the Vermont Association of Snow Travelers (VAST) as follows:

(A) \$50,000 for the VAST for the Law Enforcement and Safety Program.

(B) \$750,000 for the VAST Equipment Grant-in-Aid Program.

(4) \$400,000.00 to the Agency of Transportation in fiscal year 2023, in addition to other funds appropriated to the Agency of Transportation under this act, for the purpose of payment of fees under 10 V.S.A. chapter 151 to mitigate development of primary agricultural soils at the Franklin County State Airport and for payment of attendant permitting costs for the development at the airport. The funds appropriated under this section shall be used solely to address development on the acreage at the Franklin County State Airport under the control of the Agency of Transportation at the time of the effective date of this section.

(d) \$16,400,000 to the Department of Libraries from the Coronavirus Capital Projects Fund provided to the State from the American Rescue Plan Act of 2021, Pub. L. No. 117-217 (ARPA), for the Libraries Capital Project for capital improvements to libraries, including Americans with Disabilities Act compliance, space renovations for improved Internet access for telehealth appointments and job interviews, and general building renovations.

* * * Addressing Homelessness, Housing Insecurity and Increasing the Stock
of Low- and Moderate-Income Housing * * *

Sec. G.400 HOUSING AND HOMELESSNESS INVESTMENTS

(a) \$30,000,000 to the Vermont Housing and Conservation Board (VHCB) in fiscal year 2023 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Fund to the to provide affordable mixed-income rental housing and homeownership units, improvements to

manufactured homes and communities, recovery residences and, if determined eligible, housing available to farm workers and refugees. VHCB shall also use the funds for shelter and permanent homes for those experiencing homelessness in consultation with the Secretary of Human Services. These funds shall carry forward into fiscal year 2024.

(b) Additional funding for housing investments of \$10,000,000 through VHCB are included in Sec. C.102 of this act contingent upon fiscal year 2022 revenue. Other legislation of the 2022 session allocates \$40,000,000 of ARPA funds for other housing development programs.

* * * Broadband Connectivity and Technology
Modernization Investments * * *

Sec. G.500 BROADBAND CONNECTIVITY INVESTMENTS

(a) \$95,000,000 is appropriated in fiscal year 2023 to the Department of Public Service, Vermont Community Broadband Board from the American Rescue Plan Act - Coronavirus Capital Projects Fund in order to support the State's goal of achieving universal access to reliable, high-quality, affordable broadband. This appropriation shall be transferred to the Vermont Community Broadband Fund to make grants through the Broadband Construction Grant Program. The Board may use monies appropriated in this subsection to fund any match requirements applicable to broadband grants funded by the federal Infrastructure Investment and Jobs Act.

(b) \$1,600,000 to the Department of Forests, Parks and Recreation from the Coronavirus Capital Projects Fund provided to the State from the American Rescue Plan Act of 2021, Pub. L. No. 117-217 (ARPA), for the Parks Connectivity Project to improve reliability, performance, and support Internet connectivity services to all State parks.

* * * Weatherization and Other Climate Change Mitigation Investments * * *

Sec. G.600 CLIMATE ACTION INVESTMENTS

(a) In fiscal year 2023, \$129,760,000 is appropriated from the American Rescue Plan Act - Coronavirus State Fiscal Recovery Funds for climate change mitigation initiatives as follows:

(1) \$45,000,000 to the Department for Children and Families, Office of Economic Opportunity, Home Weatherization Assistance Program to be used in fiscal years 2023 and 2024. Households approved for assistance in this section will also be offered services outlined in subdivision (4) of this subsection.

(2) \$35,000,000 to the Department of Public Service to grant to Efficiency Vermont for the purpose of weatherization incentives to Vermonters

with a moderate income. These funds shall be deposited in the Electric Efficiency Fund established under 30 V.S.A. § 209(d)(3) and shall be available for use by Efficiency Vermont through December 31, 2024. Households approved for assistance in this section will also be offered services outlined in subdivision (4) of this subsection.

(3) \$2,000,000 to the Agency of Transportation to support the continued build-out of public electric vehicle charging infrastructure along highway networks.

(4) \$25,000,000 to the Department of Public Service, of which \$20,000,000 is to provide financial and technical assistance for Vermonters with low- and moderate-income to upgrade home electrical systems to enable installation of energy saving technologies, and \$5,000,000 is to establish a "Switch and Save" program to provide financial and technical assistance for Vermonters with low and moderate income to install, at low- or no-cost, heat pump water heaters, with a focus on replacing water heaters near the end of their useful life and serving households participating in the electrical system upgrades described in this subsection.

(5) \$2,000,000 to the Department of Public Service for load management and storage efforts to assist Vermonters with low and moderate income customers to purchase electric equipment for heating, cooling, and vehicle charging. In addition, investments will be made in load control and management platforms to enable smaller municipal and cooperative utilities to capture and share benefits of load management and funding for municipal back-up electricity storage installations. The same use of funds shall apply to \$5,000,000 of the funds appropriated in 2021 Acts and Resolves No. 74, Sec G.600(a)(5).

(6) \$15,000,000 to improve landscape resilience and mitigate flood hazards to be allocated as follows:

(A) \$14,750,000 to the Department of Public Safety, Division of Emergency Management, for a State-level buyout program for flood-vulnerable parcels; and

(B) \$250,000 to the Department of Environmental Conservation to provide technical assistance to the statewide hazard mitigation program.

(7) \$4,760,000 to the Agency of Agriculture, Food and Markets to provide farms in Vermont with financial assistance for the implementation of soil-based practices that improve soil quality and nutrient retention, increase crop production, minimize erosion potential, and reduce agricultural waste discharges. Assistance may take the form of programs that provide education, training, or instruction to farmers.

(8) \$1,000,000 to the Department of Forests, Parks and Recreation for the Urban and Community Forestry (UCF) Program to plant up to 5,000 trees to improve air quality and reduce heat island effects in urban areas in accordance with UCF program standards for design, planting, and maintenance.

(b) In fiscal year 2023, \$32,200,000 is appropriated from the General Fund and \$550,000 is appropriated from the Transportation Fund for electric vehicle charging infrastructure, electrification incentives and public transportation investments as follows:

(1) \$10,000,000 to the Agency of Commerce and Community Development to install level 1, 2, and 3 EVSE at dwellings, workplaces, and community attractions in accordance with Sec. E.903 of this act.

(2) \$12,000,000 to the Agency of Transportation for the Incentive Program for New PEVs, established in 2019 Acts and Resolves No. 59, Sec. 34, as amended.

(3) \$2,000,000 to the Agency of Transportation for the public-private partnership with Drive Electric Vermont to support the expansion of the plug-in electric vehicle market in the State.

(4) \$3,000,000 to the Agency of Transportation to grant to the Community Action Agencies to support the MileageSmart Program, established in 2019 Acts and Resolves No. 59, Sec. 34, as amended.

(5) \$3,000,000 to the Agency of Transportation for the Replace Your Ride Program, established in 2021 Acts and Resolves No. 55, Sec. 27, as amended.

(6) \$2,200,000 general funds and \$550,000 Transportation funds to the Agency of Transportation for the following:

(A) \$1,200,000 general funds for transit agencies to, as practicable and in the sole discretion of the transit agencies, operate routes other than commuter and LINK Express on a zero-fare basis and provide service at pre-COVID-19 levels; and

(B) \$1,000,000 general funds and \$500,000 Transportation funds to continue administering the Mobility and Transportation Innovation (MTI) Grant program to support projects that improve both mobility and access to services for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, and reduce greenhouse gas emissions.

(C) \$50,000 Transportation funds to the Agency of Transportation for electric bicycle incentives.

(c) In fiscal year 2023, \$8,000,000 is appropriated from the General Fund to the Department of Public Service to offer up to 70 percent reimbursement to municipal and cooperative electrical distribution utilities for the implementation of one or more systems of Advanced Metering Infrastructure that has been approved by the Public Utility Commission.

(d) Additional grant funding of \$45,000,000 from ARPA is included in other legislation of the 2022 session for Municipal Energy Resilience Grant Program.

* * * Clean Water Investments * * *

Sec. G.700 WATER AND SEWER INVESTMENTS

(a) In fiscal year 2023, \$104,000,000 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds as follows:

(1) \$31,000,000 for Stormwater Retrofit Projects to provide three-acre stormwater permitting design and construction support for entities subject to the Vermont 3- 9050 Stormwater General Permit and to provide design and construction for practices necessary to restore impaired waters subject to flow restoration plans. These funds shall be allocated as follows:

(A) \$30,000,000 to the Department of Environmental Conservation to provide three-acre stormwater permitting design and construction support for entities subject to the Vermont 3- 9050 Stormwater General Permit and to provide permitting, design, and construction services; and

(B) \$1,000,000 to the Department of Forests, Parks and Recreation to support compliance with the three-acre stormwater rule.

(2) \$30,000,000 to the Department of Environmental Conservation to support water and wastewater projects and pretreatment activities, as follows:

(A) \$15,000,000 to support the design and construction of community-scale water or decentralized wastewater projects, or both, to support underserved designated centers;

(B) \$5,000,000 to provide financial assistance to municipalities, Vermont businesses, and nonprofit entities to install or enhance pretreatment processes to address high strength or toxic wastes that otherwise require treatment at municipal expense by publicly owned treatment facilities; and

(C) \$10,000,000 to municipalities with small and primarily residential customer bases to upgrade or replace existing water or wastewater treatment systems that are at risk of failure.

(3) \$20,000,000 to the Department of Environmental Conservation to assist municipalities to design and construct projects to reduce or eliminate wet weather sewer overflows.

(4) \$23,000,000 to make repairs or improvements to water and wastewater systems in Vermont homes to be allocated as follows:

(A) \$6,500,000 to the Department of Environmental Conservation for improving water/wastewater systems at coop-owned or nonprofit mobile home parks (MHPs);

(B) \$15,000,000 to the Department of Environmental Conservation to replace failed on-site wastewater and water supplies for Vermonters with low income or who are unable to access or afford market rate loans; and

(C) \$1,500,000 to the Department of Housing and Community Development to update leaking service lines, old plumbing, and replacing outdated fixtures (sinks, toilets, dishwashers, laundry) with high-efficiency devices.

Sec. G.701 APPROPRIATIONS: OFFSET CAPITAL BILL FUNDED
PROJECTS BY SWAP TO ARPA

(a) Fiscal year 2022. \$500,000 in fiscal year 2022 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds to the Department of Forests, Parks and Recreation for forestry access road water quality improvements.

(b) Fiscal year 2023. \$5,236,781 in fiscal year 2023 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds for projects authorized in the fiscal year 2023 Capital Budget Adjustment Act as follows:

(1) \$600,000 to the Department of Buildings and General Services for three-acre parcel stormwater planning, design, and implementation;

(2) \$300,000 to the Department of Forests, Parks and Recreation for State parks major maintenance;

(3) \$585,000 to the Department of Environmental Conservation for Municipal Pollution Control Grants;

(4) \$700,000 to the Department of Forests, Parks and Recreation for forestry access road water quality improvements;

(5) \$2,451,781 to the Agency of Agriculture, Food and Markets for water quality grants; and

(6) \$600,000 to the Vermont Housing and Conservation Board for agricultural water quality projects.

Sec. G.702 2021 Acts and Resolves No. 74, Sec. G.700(c) is amended to read as follows:

~~(c) \$15,000,000 to be used to~~ To the extent capital funds have been appropriated to projects supporting water and sewer infrastructure in fiscal year 2022 and capital appropriations can be offset for reuse for future capital construction projects in the fiscal years 2022–2023 capital budget adjustment process. ~~On~~ on or before December 15, 2021, the Commissioner of Finance and Management shall review and recommend water and sewer infrastructure projects funded in fiscal year 2022 that could be funded with ARPA funds to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and to the Governor for the fiscal years 2022–2023 capital budget adjustment report.

* * * Administration * * *

Sec. G.800 ARPA AND GENERAL ONE-TIME FUND FUNDED
LIMITED-SERVICE POSITIONS

(a) The establishment of the following 23 new classified limited-service positions is authorized in fiscal year 2023.

(1) Agency of Administration: one Grants Manager.

(2) Agency of Agriculture, Food and Markets: two Water Quality Program Coordinators.

(3) Public Service Department:

(A) one Administrative Services Coordinator;

(B) one Outreach Coordinator;

(C) one Grants Manager;

(D) one Financial Manager; and

(E) one Program Coordinator.

(4) Vermont Community Broadband Board:

(A) one Fiscal and Federal Reporting Specialist;

(B) one Rural Broadband Technical Specialist;

(C) one Business Office Manager; and

(D) one Digital Equity Office Manager.

(E) Vermont Community Broadband Board: one Fiber Optics Engineer.

(5) Natural Resources Board:

(A) two District Coordinators; and

(B) one Executive Director.

(6) Agency of Human Services, Office of Economic Opportunity:

(A) one Senior Energy Services Program Officer; and

(B) two Energy Services Program Officers.

(7) Department of Labor: three Program Technicians.

(8) Agency of Natural Resources, Department of Forests, Parks and Recreation: one Environmental Analyst III.

(9) Agency of Transportation:

(A) one Grants Management Specialist; and

(B) one Grants Manager.

(10) Department of Libraries

(A) one Grants Administrator; and

(B) one Buildings Project Manager II.

(11) Agency of Commerce and Community Development:

(A) one Community Affairs Planning Coordinator;

(B) two Grants Management Specialist;

(C) one Agency of Transportation Environmental Specialist 1; and

(D) one Historic Resource Specialist.

Sec. G.801 APPROPRIATION FOR ADMINISTRATIVE COSTS

(a) \$10,500,000 in fiscal year 2023 is appropriated from the American Rescue Plan Act - Coronavirus State Fiscal Recovery Funds to the Agency of Administration to be distributed as needed to address the statewide costs of administering these funds, including the costs of related limited-service positions, and contracting for programs and services.

* * * Effective Dates * * *

Sec. H.100 EFFECTIVE DATES

(a) This section, Secs. C.100 through C.114 (fiscal year 2022 one-time appropriations, adjustments, and amendments), E.105.1 (Technology

Modernization Special Fund), E.106.1 (Capital Cash Expenditure Cash Fund), E.240.3 (repeal of 2020 Acts and Resolves No. 164, Sec. 6(c)), E.240.4 (repeal of 2020 Acts and Resolves No. 164, Sec. 33(h)), G.702 (amendment to 2021 Acts and Resolves No.74, Sec. G.700(c)), and G.701(a) (offset capital funds by swap to ARPA) shall take effect upon passage.

(b) Secs. E.240.5 (7 V.S.A. § 845) and E.240.6 (32 V.S.A. § 7909(a)) shall take effect on July 1, 2025.

(c) Notwithstanding 1 V.S.A. § 214, Secs. E.709 and E.709.1 (definition of release; PCBs) shall take effect retroactively on July 1, 2021.

(d) Secs. E.240.1 (7 V.S.A. § 845); E.240.2 (32 V.S.A. § 7909); E.702 (Fish and Wildlife); F.100(b), F.101(b), F.102(b) and F.103 (Executive Branch; Exempt Employees, Misc. Statutory Salaries; Fiscal Year 2024); F.104–106 (Judicial Branch; Statutory Salaries, Fiscal Year 2024); F.107 (Sheriffs, Statutory Salaries, Fiscal Year 2024); F.108 (State’s Attorney’s; Statutory Salaries; Fiscal Year 2024); and Secs. F.109(a)(2), F.109(b)(3), and F.109(c)(2) (Appropriations; Fiscal Year 2024) shall take effect on July 1, 2023.

(e) Secs. E.500.7–500.9 shall be effective as of the date of enactment of S.287 (2022).

(f) All remaining sections shall take effect on July 1, 2022.

And by renumbering all of the sections of the bill to be numerically correct (including internal references) and adjusting all of the totals to be arithmetically correct.

M. JANE KITCHEL

PHILIP E. BARUTH

RICHARD A. WESTMAN

Committee on the part of the Senate

MARY S. HOOPER

PETER J. FAGAN

KIMBERLY JESSUP

Committee on the part of the House

Addendum to the Report of Committee of Conference:

By adding a new section to be Sec. E.400.1 to read as follows:

Sec. E.400.1. UNEMPLOYMENT INSURANCE; INFORMATION
TECHNOLOGY MODERNIZATION FUNDING; REPORT

(a) On or before January 15, 2023, the Commissioner of Labor shall submit a written report to the House Committees on Commerce and Economic

Development and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs and on Finance evaluating potential funding mechanisms to support ongoing unemployment insurance information technology modernization and unemployment-insurance-related administrative costs without utilizing appropriations from the General Fund.

(b) The report shall do the following:

(1) identify and evaluate funding mechanisms utilized by other states for similar purposes;

(2) in the Commissioner's discretion, identify and evaluate other potential funding mechanisms that could support ongoing unemployment insurance information technology modernization and unemployment-insurance-related administrative costs; and

(3) examine any benefits, adverse impacts, or challenges related to implementing the identified funding mechanisms.

(c) The report shall include a recommendation for one or more funding mechanisms to support ongoing unemployment insurance information technology modernization and unemployment-insurance-related administrative costs without utilizing appropriations from the General Fund. The report may include a recommendation for legislative action to implement the recommended funding mechanism or mechanisms.

M. JANE KITCHEL

PHILIP E. BARUTH

RICHARD A. WESTMAN

Committee on the part of the Senate

MARY S. HOOPER

PETER J. FAGAN

KIMBERLY JESSUP

Committee on the part of the House

Pending the question, Shall the report of the Committee of Conference be adopted?, **Rep. Hooper of Montpelier** 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 report of the Committee of Conference be adopted?, was decided in the affirmative. Yeas, 133. Nays, 3.

Those who voted in the affirmative are:

Achey of Middletown
Springs

Grad of Moretown
Gregoire of Fairfield

Nicoll of Ludlow
Nigro of Bennington

Ancel of Calais	Hango of Berkshire	Norris of Sheldon
Anthony of Barre City	Harrison of Chittenden	Norris of Shoreham
Arrison of Weathersfield	Helm of Fair Haven	Notte of Rutland City
Austin of Colchester	Higley of Lowell	Noyes of Wolcott
Bartholomew of Hartland	Hooper of Montpelier	Ode of Burlington
Beck of St. Johnsbury	Hooper of Randolph	Page of Newport City
Birong of Vergennes	Hooper of Burlington	Pajala of Londonderry
Black of Essex	Houghton of Essex	Partridge of Windham
Bluemle of Burlington	Howard of Rutland City	Patt of Worcester
Bock of Chester	James of Manchester	Pugh of South Burlington
Bongartz of Manchester	Jerome of Brandon	Rachelson of Burlington
Bos-Lun of Westminster	Jessup of Middlesex	Rogers of Waterville
Brady of Williston	Kascenska of Burke	Rosenquist of Georgia
Briglin of Thetford	Killackey of South Burlington	Satcowitz of Randolph
Brown of Richmond	Kimbell of Woodstock	Scheu of Middlebury
Brownell of Pownal	Kitzmiller of Montpelier	Shaw of Pittsford
Brumsted of Shelburne	Kornheiser of Brattleboro	Sheldon of Middlebury
Burditt of West Rutland	Labor of Morgan	Sibilia of Dover
Burke of Brattleboro	LaClair of Barre Town	Sims of Craftsbury
Burrows of West Windsor	LaLonde of South	Small of Winooski
Campbell of St. Johnsbury	Burlington	Smith of Derby
Canfield of Fair Haven	Lanpher of Vergennes	Squirrell of Underhill
Chase of Colchester	Laroche of Franklin	Stebbins of Burlington
Cina of Burlington	Lefebvre of Newark	Stevens of Waterbury
Coffey of Guilford	Lefebvre of Orange	Strong of Albany
Colburn of Burlington	Leffler of Enosburgh	Taylor of Colchester
Colston of Winooski	Lippert of Hinesburg	Till of Jericho
Conlon of Cornwall	Long of Newfane *	Toleno of Brattleboro
Copeland Hanzas of	Marcotte of Coventry	Toof of St. Albans Town
Bradford	Martel of Waterford	Townsend of South
Corcoran of Bennington	Masland of Thetford	Burlington
Cordes of Lincoln	Mattos of Milton	Troiano of Stannard
Cupoli of Rutland City	McCarthy of St. Albans City	Vyhovsky of Essex
Dolan of Essex	McCormack of Burlington	Walz of Barre City
Dolan of Waitsfield	McCoy of Poultney	Webb of Shelburne
Donahue of Northfield	McCullough of Williston	White of Bethel
Donnally of Hyde Park	McFaun of Barre Town	White of Hartford
Durfee of Shaftsbury	Morgan, L. of Milton	Whitman of Bennington
Emmons of Springfield	Morgan, M. of Milton	Williams of Granby
Fagan of Rutland City	Morris of Springfield	Wood of Waterbury
Feltus of Lyndon	Morrissey of Bennington	Yacovone of Morristown
Gannon of Wilmington	Mrowicki of Putney	Yantachka of Charlotte
Garofano of Essex	Mulvaney-Stanak of	
Goldman of Rockingham	Burlington	
Goslant of Northfield	Murphy of Fairfax	

Those who voted in the negative are:

Parsons of Newbury	Peterson of Clarendon	Terenzini of Rutland Town
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Those members absent with leave of the House and not voting are:

Brennan of Colchester	Graham of Williamstown	Smith of New Haven
Christie of Hartford	O'Brien of Tunbridge	Sullivan of Dorset
Dickinson of St. Albans	Palasik of Milton	Surprenant of Barnard
Town	Pearl of Danville	Walker of Swanton
Elder of Starksboro	Scheuermann of Stowe	

Rep. Long of Newfane explained her vote as follows:

“Madam Speaker:

Today I vote yes to invest in a better future for Vermonters that leaves no one behind.

I thank the Appropriations Committee for their diligent, thoughtful consideration of policy proposals and competing priorities to arrive at historic investments in workforce, housing, climate action and so much more.

This balanced, thoughtful budget is one we can all be proud of.”

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

Senate Notified of Completion of House Business

Rep. McCoy of Poultney moved that the House direct the Clerk to inform the Senate that the House has completed the business of the Biennial session and is ready to adjourn *sine die* pursuant to the provisions of J.R.S. 54.

Governor Notified of Completion of House Business

Rep. McCoy of Poultney moved that the Speaker appoint a committee of six to inform the Governor that the House has completed the business of the Biennial Session and is ready to adjourn *sine die* pursuant to the provisions of J.R.S. 54, which was agreed to. Thereupon, the Speaker appointed to serve on the Committee the following members:

Rep. Long of Newfane
Rep. LaClair of Barre Town
Rep. Colburn of Burlington
Rep. Murphy of Fairfax
Rep. Ancel of Calais
Rep. Feltus of Lyndon

Governor Presented at the Bar of the House

The Committee appointed to wait upon the Governor retired to the Executive Chamber and returned with His Excellency, The Governor Philip B. Scott, and presented him at the bar of the House. The Governor addressed the House and, having completed his remarks, was escorted from the Hall by the Committee.

Adjournment

At seven o'clock and nineteen minutes in the evening, on motion of **Rep. Long of Newfane**, the House adjourned *sine die* pursuant to the provisions of J.R.S. 54.

FINAL MESSAGES AND COMMUNICATIONS**Message from the Governor**

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the 16th day of May, 2022, he signed bills originating in the House of the following titles:

H.447 An act relating to approval of amendments to the charter of the Town of Springfield

H.462 An act relating to miscellaneous Department of Health programs

H.482 An act relating to the Petroleum Cleanup Fund

H.661 An act relating to licensure of mental health professionals

H.711 An act relating to the creation of the Opioid Settlement Advisory Committee and the Opioid Abatement Special Fund

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 19th day of May, 2022, he signed bills originating in the House of the following titles:

H.287 An act relating to patient financial assistance policies and medical debt protection

H.500 An act relating to prohibiting the sale of mercury lamps in the State

H.553 An act relating to eligibility of domestic partners for reimbursement from the Victims Compensation Program

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the 19th day of May 2022, *allowed to become law without his signature* bills originating in the House of the following titles:

H.523 An act relating to reducing hydrofluorocarbon emissions

H.744 An act relating to approval of an amendment to the charter of the City of Burlington

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the 19th day of May, 2022, he returned without signature and *vetoed* bills originating in the House of the following titles:

H.505 An act relating to the creation of the Drug Use Standards Advisory Board within the Vermont Sentencing Commission

H.534 An act relating to expanding eligibility for expungement and sealing of criminal history records for nonviolent offenses

Veto Letter

“May 19, 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. 505, *An act relating to the creation of the Drug Use Standards Advisory Board within the Vermont Sentencing Commission*, without my signature.

Vermont has made progress in treating drug and alcohol addiction as an illness, de-stigmatizing, expanding treatment, and instituting recovery systems that enable individuals to re-build their lives. This year, I proposed, and the Legislature passed, significant investments in these areas because this continues to be a priority issue, especially as we experience an alarming increase in the number of overdose deaths and deaths by suicide.

I agree that the criminal justice system cannot, and should not, be the only tool in this work – and in Vermont, it is not. However, we cannot completely abandon reasonable regulation and law enforcement as a tool.

Specifically, this bill creates a Drug Use Standards Advisory Board with a stated goal to identify a path to effectively legalize personal possession and use of dangerous and highly addictive drugs, stating:

“The primary objective of the Board shall be to determine, for each regulated and unregulated drug, the benchmark personal use dosage and the benchmark personal use supply. The benchmarks determined pursuant to this subsection shall be determined with a goal of preventing and reducing the criminalization of personal drug use.”

It places no limits on which drugs can be contemplated for legalization or the amounts, and while rightly saying we need to view substance abuse as a public health matter – a point where I agree – it includes absolutely no recognition of the often-disastrous health and safety impacts of using drugs like fentanyl, heroin, cocaine, methamphetamines, and more. Nor does it acknowledge the role of enforcement in tracking down and stopping the dealers who seek to poison Vermonters – including children – for profit.

In its written testimony, the Department of Public Safety expressed its concern that Vermont remains a “destination for drug trafficking” due in part to demand, and in part because of the view by drug traffickers that “the financial incentives outweigh the risks posed by Vermont’s criminal laws.”

For these reasons, I cannot allow H. 505 to go into law, and must return it without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution.

Sincerely,

/s/Philip B. Scott
Governor
PBS/kp"

Veto Letter

“May 19, 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.534, *An act relating to expanding eligibility for expungement and sealing of criminal history records for nonviolent offenses*, without my signature because of my objections described herein.

Safe schools and communities are a top priority of State government and must consistently be a key consideration when criminal justice legislation is debated. Ultimately, I find this bill inconsistent with the State’s responsibilities to keep the public safe. Vermont is currently experiencing a significant spike in violent crime with most being drug-related. From my perspective, this bill seeks to make offenses relating to possessing, selling, cultivating, dispensing and transporting dangerous, illicit and highly addictive drugs – as well as the use of fraud or deceit to obtain these dangerous drugs – expungable offenses.

In addition, H.534 conflicts with recent policy to increase gun safety. Specifically, the Legislature recently passed – and I signed – a firearm safety measure which increases reliance on background checks to disclose Brady-disqualifying felonies. This was done to keep guns out of the hands of people who should not have them. H.534, however, would expunge felonies that would otherwise disqualify someone from purchasing and owning a gun.

Another area of contradictory policy can be seen with the Legislature’s recent creation of a contractor registry to address home improvement fraud. Yet, this bill makes home improvement fraud an expungable offense, eliminating the ability to hold offenders accountable through the registry the Legislature simultaneously said was about accountability. Similarly, despite passing new laws to expand criminal threatening and prohibit carrying a gun into a hospital, these crimes are also expungable.

In total, over 20 new felony crimes, including felony identity theft, could be erased – inaccessible to anyone, even law enforcement – from an individual’s criminal record if this bill becomes law.

To address these concerns, my administration proposed a uniform, simplified system of *sealing* – rather than erasing – criminal records. This approach would eliminate undue consequences related to housing, job and education for those Vermonters who are not repeat offenders, while also ensuring access for law enforcement and criminal justice purposes as well as for background checks necessary to ensure public safety and security.

Without allowing access to records for public safety purposes, and resolving all of the very clear inconsistency in policy and conflicts in law H. 534 would create, I cannot support this effort.

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 24th day of May, 2022, he signed bills originating in the House of the following titles:

H.96 An act relating to creating the Truth and Reconciliation Commission

H.265 An act relating to the Office of the Child, Youth, and Family Advocate

H.279 An act relating to miscellaneous changes affecting the duties of the Department of Vermont Health Access

H.353 An act relating to pharmacy benefit management

H.410 An act relating to the use and oversight of artificial intelligence in State government

H.444 An act relating to approval of amendments to the charter of the City of Barre

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- H.464** **An act relating to miscellaneous changes to the Reach Up Program**
- H.465** **An act relating to boards and commissions**
- H.466** **An act relating to surface water withdrawals and interbasin transfers**
- H.477** **An act relating to leave for crime victims**
- H.489** **An act relating to miscellaneous provisions affecting health insurance regulation**

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 27th day of May, 2022, he signed bills originating in the House of the following titles:

- H.510** **An act relating to tax reductions and other aid for Vermonters**
- H.515** **An act relating to banking, insurance, and securities**
- H.517** **An act relating to educational benefits for members of the military and their families and eligibility for election to serve as Adjutant and Inspector General**
- H.533** **An act relating to forfeited property disposition and a study assessing civil and criminal seizure and forfeiture of property in drug-related offenses**
- H.546** **An act relating to racial justice statistics**
- H.551** **An act relating to prohibiting racially and religiously restrictive covenants in deeds**
- H.559** **An act relating to workers' compensation**
- H.626** **An act relating to the sale, use, or application of neonicotinoid pesticides**
- H.697** **An act relating to eligibility of reserve forestland for enrollment in the Use Value Appraisal Program**

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the 31st day of May, 2022, he signed bills originating in the House of the following titles:

H.729 An act relating to miscellaneous judiciary procedures

H.742 An act relating to approval of amendments to the charter of the Town of Milton

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 2nd day of June, 2022, he signed bills originating in the House of the following titles:

H.74 An act relating to making miscellaneous changes concerning self-storage businesses

H.244 An act relating to authorizing the natural organic reduction of human remains

H.446 An act relating to miscellaneous natural resources and development subjects

H.512 An act relating to modernizing land records and notarial acts law

H.518 An act relating to municipal energy resilience initiatives

H.572 An act relating to the retirement allowance for interim educators

H.709 An act relating to miscellaneous agricultural subjects

H.716 An act relating to making miscellaneous changes in education law

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 2nd day of June, 2022, he returned without signature and *vetoed* a bill originating in the House of the following title:

H.606 An act relating to community resilience and biodiversity protection

Veto Letter

“June 2, 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.606, *An act relating to community resilience and biodiversity protection*, without my signature.

Vermont has a long history of effective land conservation that has significantly contributed to the state’s vibrant, resilient working landscape of farms and forests, vast natural areas, and world class opportunities for outdoor recreation. This is a result of flexible and innovative tools like our current use program and the payment-for-ecosystem-services model. These programs are critical to achieving our conservation priorities because they combine conservation planning with incentives – making it more attractive and affordable for Vermont families to keep and conserve their land, farms and forests.

Over the course of the legislative session, the Agency of Natural Resources testified multiple times against this bill. Among the objections, the Agency pointed to the conservation goals established in H.606 are unnecessarily tied to – and unreasonably limited to – permanent protection. The Agency has repeatedly said that permanent preservation has not been, and cannot be, the state’s exclusive conservation tool and this bill, intentional or not, would diminish the existing and successful conservation tools we have.

Based on the objections outlined above, 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 7th day of June, 2022, he signed bills originating in the House of the following titles:

H.727 An act relating to the exploration, formation, and organization of union school districts and unified union school districts

H.730 An act relating to alcoholic beverages and the Department of Liquor and Lottery

H.737 An act relating to setting the homestead property tax yields and the nonhomestead property tax rate

H.738 An act relating to technical and administrative changes in Vermont’s tax laws

H.739 An act relating to capital construction and State bonding budget adjustment

H.743 An act relating to amending the charter of the Town of Hardwick

H.745 An act relating to the approval of the adoption of the charter of the Town of Montgomery

H.746 An act relating to an amendment to the charter of the City of Burlington

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the 7th day of June, 2022, he returned without signature and *vetoed* a bill originating in the House of the following title:

H.728 An act relating to opioid overdose response services

Veto Letter

“June 7, 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.728, *An act relating to opioid overdose response services*, without my signature because it directs the Administration to design a plan for the implementation of one or more overdose prevention sites (also known as “safe injection sites”). From my standpoint, it seems counterintuitive to divert resources from proven harm reduction strategies to plan injection sites without clear data on the effectiveness of this approach.

We are all aware the pandemic has had negative impacts on the mental health of Vermonters. This includes concerning increases in drug and alcohol addiction, overdose deaths and suicides.

Prior to the pandemic, Vermont was making progress treating opioid addiction with our groundbreaking “hub-and-spoke” treatment system and medically assisted treatment of our corrections populations.

We also utilize harm reduction strategies, including syringe programs, distribution of Narcan, fentanyl test strips and comprehensive community education. These are proven, evidence-based approaches to saving lives but we must also continue to focus on preventing addiction in the first place and supporting people through treatment and recovery.

Unfortunately, this bill proposes to shift state policy and financial resources away from prevention and toward unproven strategies such as overdose prevention sites. It’s important to note that what little data exists on this approach is for sites located in large cities, so it’s not applicable to the vast majority of Vermont. Last year, I signed the experimental decriminalization of buprenorphine and am now waiting for the data to show if this had a positive impact on addiction or overdose rates in our state. I believe it’s important to analyze this data before moving to another experimental strategy.

For these reasons, I cannot allow H.728 to go into law, and must return it 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 9th day of June, 2022, he signed bills originating in the House of the following titles:

H.736 An act relating to the Transportation Program and miscellaneous changes to laws related to transportation

H.740 An act relating to making appropriations for the support of government

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the 9th day of June 2022, *allowed to become law without his signature* a bill originating in the House of the following title:

H.720 An act relating to the system of care for individuals with developmental disabilities

Message from the Senate No. 86

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

Madam Speaker:

I am directed to inform the House that:

The Governor has informed the Senate that on the twenty-third day of May, 2022, he approved and signed bills originating in the Senate of the following titles:

S. 122. An act relating to the required votes of presidential electors.

S. 127. An act relating to clarifying community supervision furlough appeals and the powers of the Corrections Monitoring Commission.

S. 220. An act relating to State-paid deputy sheriffs.

S. 254. An act relating to maintaining records of judgments and settlements paid by law enforcement agencies and a legal analysis of qualified immunity.

S. 287. An act relating to improving student equity by adjusting the school funding formula and providing education quality and funding oversight.

The Governor has informed the Senate that on the thirty-first day of May, 2022, he approved and signed bills originating in the Senate of the following titles:

S. 53. An act relating to changes to Vermont corporate income tax and conformity to federal tax laws.

S. 90. An act relating to establishing an amyotrophic lateral sclerosis registry.

S. 91. An act relating to the Parent Child Center Network.

S. 100. An act relating to universal school meals.

S. 139. An act relating to nondiscriminatory school branding.

S. 140. An act relating to prohibiting civil arrests at courthouses.

S. 148. An act relating to environmental justice in Vermont.

S. 161. An act relating to extending the baseload renewable power portfolio requirement.

S. 173. An act relating to the State House art collection.

S. 181. An act relating to authorizing miscellaneous regulatory authority for municipal governments.

S. 188. An act relating to regulating licensed small cannabis cultivation as farming.

The Governor has informed the Senate that on the first day of June, 2022, he approved and signed bills originating in the Senate of the following titles:

S. 201. An act relating to best management practices for trapping.

S. 224. An act relating to juvenile proceedings.

S. 250. An act relating to law enforcement data collection and interrogation.

S. 258. An act relating to agricultural water quality, enforcement, and dairy farming.

S. 261. An act relating to municipal retention of property tax collections and valuation for purposes of the education property tax.

S. 269. An act relating to extending the Energy Savings Account Partnership Pilot Program.

S. 281. An act relating to hunting coyotes with dogs.

S. 283. An act relating to miscellaneous changes to education laws.

S. 285. An act relating to health care reform initiatives, data collection, and access to home- and community-based services.

The Governor has informed the Senate that on June 1, 2022, he returned without signature and *vetoed* a bill originating in the Senate of the following title:

S. 234. An act relating to changes to Act 250.

Text of Communication from Governor

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **Senate Bill No. 234**, to the Senate is as follows:

“June 1, 2022

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

Dear Secretary Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning S.234, *An Act Relating to Changes to Act 250*, without my signature because this bill moves us in the wrong direction on Act 250.

From my perspective, this bill makes Act 250 even more cumbersome than it is today and it will make it harder to build the housing we desperately need. These concerns were raised by elected leaders on both sides of the aisle, though were not addressed by the Legislature.

Fortunately, the pieces of this bill that will make some modest improvements were added to another bill, which I plan to sign.

Based on the objections outlined above, 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”

The Governor has informed the Senate that on the seventh day of June, 2022, he approved and signed bills originating in the Senate of the following titles:

S. 210. An act relating to rental housing health and safety and affordable housing.

S. 226. An act relating to expanding access to safe and affordable housing.

The Governor has informed the Senate that on the eighth day of June, 2022, he approved and signed a bill originating in the Senate of the following title:

S. 11. An act relating to economic and workforce development.