

1 Introduced by Committee on Corrections and Institutions

2 Date:

3 Subject: Capital construction; State bonding; budget adjustment

4 Statement of purpose of bill as introduced: This bill proposes to adjust the FY
5 2026 capital construction budget.

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

7 It is hereby enacted by the General Assembly of the State of Vermont:

8 * * * Legislative Intent * * *

9 Sec. 1. 2025 Acts and Resolves No. 33, Sec. 1 is amended to read:

10 Sec. 1. LEGISLATIVE INTENT

11 (a) It is the intent of the General Assembly that of the ~~\$111,965,288.44~~

12 \$122,721,774.67 authorized in Secs. 2–16 this act, not more than

13 ~~\$61,969,761.44~~ \$61,569,761.44 shall be appropriated in the first year of the

14 biennium, and the remainder shall be appropriated in the second year.

15 * * *

16 * * * Bond-Funded Project Authorizations * * *

17 Sec. 2. 2025 Acts and Resolves No. 33, Sec. 2 is amended to read:

18 Sec. 2. STATE BUILDINGS

19 * * *

1 (b) The following sums are appropriated in FY 2026:

2 * * *

3 (2) Statewide, three-acre parcel stormwater compliance: ~~\$1,500,000.00~~
4 \$1,100,000.00

5 * * *

6 (c) The following sums are appropriated in FY 2027:

7 (1) Statewide, major maintenance: ~~\$8,500,000.00~~ \$9,013,413.18

8 * * *

9 (4) ~~Statewide, three-acre parcel stormwater compliance: \$1,100,000.00~~
10 [Repealed.]

11 * * *

12 (7) Montpelier, State House replacement of historic interior finishes:
13 \$50,000.00

14 (8) Montpelier, 120 State Street HVAC – steam lines interior
15 renovation: ~~\$2,000,000.00~~ \$1,000,000.00

16 * * *

17 (12) Montpelier, State House entryway upgrades, design documents
18 including comprehensive parking plan and truck access: \$1,300,000.00

19

20 Appropriation – FY 2026 ~~\$13,726,680.44~~ \$13,326,680.44

21 Appropriation – FY 2027 ~~\$15,925,000.00~~ \$15,664,413.18

1 Total Appropriation – Section 2 ~~\$28,951,680.44~~ \$28,991,093.62

2 Sec. 3. 2025 Acts and Resolves No. 33, Sec. 3 is amended to read:

3 Sec. 3. HUMAN SERVICES

4 * * *

5 (b) The following sums are appropriated in FY 2027 to the Department of
6 Buildings and General Services for the Agency of Human Services for the
7 following projects:

8 (1) Statewide, planning, design, and construction for HVAC system
9 upgrades at correctional facilities: ~~\$1,000,000.00~~ \$9,426,254.21

10 * * *

11 Appropriation – FY 2027 ~~\$4,800,000.00~~ \$13,226,254.21

12 Total Appropriation – Section 3 ~~\$13,025,000.00~~ \$21,451,254.21

13 Sec. 4. 2025 Acts and Resolves No. 33, Sec. 4 is amended to read:

14 Sec. 4. COMMERCE AND COMMUNITY DEVELOPMENT

15 * * *

16 (b) The following sums are appropriated in FY 2027 to the Agency of
17 Commerce and Community Development for the following projects:

18 * * *

19 (3) Roadside historic site markers: ~~\$25,000.00~~ \$45,000.00

20 * * *

21 Appropriation – FY 2027 ~~\$621,000.00~~ \$641,000.00

1 Total Appropriation – Section 4 ~~\$1,667,000.00~~ \$1,687,000.00

2 Sec. 5. 2025 Acts and Resolves No. 33, Sec. 6 is amended to read:

3 Sec. 6. VETERANS' HOME

4 (a) The following sums are appropriated in FY 2026 to the Vermont
5 Veterans' Home for the following projects:

6 (1) Replacement of air handlers: \$710,000.00

7 (2) Expansion of laundry facilities: \$340,000.00

8 (b) The Chief Executive Officer of the Vermont Veterans' Home is
9 authorized to transfer any unexpended project balances between the amounts
10 appropriated in subdivisions (a)(1)–(2) of this section and the amount
11 appropriated in subsection (c) of this section.

12 (c) The sum of \$1,250,000.00 is appropriated in FY 2027 to the Vermont
13 Veterans' Home for sewage system and elevator upgrades.

14 Appropriation – FY 2026 \$1,050,000.00

15 Appropriation – FY 2027 \$1,250,000.00

16 Total Appropriation – Section 6 ~~\$1,050,000.00~~ \$2,300,000.00

17 Sec. 6. 2025 Acts and Resolves No. 33, Sec. 10 is amended to read:

18 Sec. 10. CLEAN WATER INITIATIVES

19 * * *

(e) ~~The sum of \$10,000,000.00 is appropriated in FY 2027 to the Agency of Natural Resources for the Department of Environmental Conservation for clean water implementation projects.~~ [Repealed.]

(f) In FY 2026 and FY 2027, any agency that receives funding from this section shall consult with the State Treasurer to ensure that the projects are capital eligible.

(g) The sum of \$1,500,000.00 is appropriated in FY 2027 to the Agency of Agriculture, Food and Markets for water quality grants and contracts.

(h) The following sums are appropriated in FY 2027 to the Agency of Natural Resources for the Department of Environmental Conservation for the following projects:

(1) Clean Water State Revolving Fund: \$1,577,600.00

(2) Municipal pollution control grants: \$3,922,400.00

(i) The sum of \$200,000.00 is appropriated in FY 2027 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for water quality improvements to forest access roads.

(j) The following sums are appropriated in FY 2027 to the Vermont Housing and Conservation Board for the following projects:

(1) Agricultural water quality projects: \$800,000.00

(2) Land conservation and water quality projects: \$2,000,000.00

* * *

Sec. 7. 2025 Acts and Resolves No. 33, Sec. 14 is amended to read:

Sec. 14. JUDICIARY

* * *

(c) The sum of \$1,720,818.84 is appropriated in FY 2027 to the
Department of Buildings and General Services for the Judiciary for the
Newport Courthouse project.

Appropriation – FY 2026	\$5,075,910.00
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<u>Appropriation – FY 2027</u>	<u>\$1,720,818.84</u>
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Total Appropriation – Section 14	\$5,075,910.00 <u>\$6,796,728.84</u>
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* * * Reallocations * * *

Sec. 8. 2025 Acts and Resolves No. 33, Sec. 17 is amended to read:

Sec. 17. REALLOCATION OF FUNDS; TRANSFER OF FUNDS

(a) The following sums ~~are reallocated~~ appropriated to the Department of
Buildings and General Services from prior capital appropriations are
reallocated to defray expenditures authorized in Secs. 2–16 of this act:

* * *

(12) of the amount appropriated in 2017 Acts and Resolves No. 84,
Sec. 13(b)(2), as added by 2018 Acts and Resolves No. 190, Sec. 10 (CJTC
East Cottage): \$43,190.08

(13) of the amounts appropriated in 2019 Acts and Resolves No. 42,
Sec. 2(c) (various projects): \$1,624,241.12

1 (o) Of the amount appropriated to the Enhanced 911 Board in 2017 Acts
2 and Resolves No. 84, Sec. 6(b)(9), as added by 2018 Acts and Resolves No.
3 190, Sec. 5 (Enhanced 911 Compliance Grants Program), \$63,413.15 is
4 reallocated to defray expenditures authorized in Secs. 2–16 of this act.

5 (p) Of the amount appropriated to the Agency of Natural Resources for
6 the Department of Forests, Parks and Recreation in 2019 Acts and Resolves
7 No. 42, Sec. 11(j), as added by 2020 Acts and Resolves No. 139, Sec. 7
8 (State-owned forest and recreational access points), \$0.03 is reallocated to
9 defray expenditures authorized in Secs. 2–16 of this act.

10 (q) The following sums appropriated from the Capital Infrastructure
11 subaccount of the Cash Fund for Capital and Essential Investments to the
12 Department of Buildings and General Services in 2023 Acts and Resolves
13 No. 78, Sec. B.1105(a) are reallocated to defray expenditures authorized in
14 Sec. 19 of this act:

15 (1) of the amount authorized in 2023 Acts and Resolves No. 69, Sec.
16 18(c)(1) (planning, reuse, and contingency): \$119,114.60

17 (2) of the amount authorized in 2023 Acts and Resolves No. 69, Sec.
18 18(c)(6) (120 State Street renovation): \$1,000,000.00

19 (3) of the amount authorized in 2023 Acts and Resolves No. 69, Sec.
20 18(c)(8) (CJTC administration building and West Cottage): \$450,000.00

1 (4) of the amount authorized in 2023 Acts and Resolves No. 69, Sec.
2 18(c)(10) (DCF short-term stabilization facility): \$372,557.10

3 (5) of the amount authorized in 2023 Acts and Resolves No. 69, Sec.
4 18(c)(11) (Washington County Superior Courthouse in Barre): \$750,000.00

5 (6) of the amount authorized in 2023 Acts and Resolves No. 69, Sec.
6 18(c)(13) (planning and design of the Rutland Field Station): \$250,000.00

7 (7) of the amount authorized in 2023 Acts and Resolves No. 69, Sec.
8 18(c)(15) (EV charging stations): \$995,040.00

9 (r) Of the amount appropriated from the Capital Infrastructure subaccount
10 of the Cash Fund for Capital and Essential Investments to the Department of
11 Buildings and General Services in 2024 Acts and Resolves No. 113, Sec.
12 B.1103(a)(3) and authorized in 2023 Acts and Resolves No. 69, Sec.
13 18(d)(3), as amended by 2024 Acts and Resolves No. 162, Sec. 11 (120 State
14 Street renovation), \$1,500,000.00 is reallocated to defray expenditures
15 authorized in Sec. 19 of this act.

16	Bonded Dollars	\$5,074,938.48	<u>\$8,973,268.67</u>
17	Cash	\$1,700,000.00	<u>\$7,136,711.70</u>
18	Total Reallocations and Transfers – Section 17	\$6,774,938.48	<u>\$16,109,980.37</u>

19 * * * Cash-Funded Project Authorizations * * *

20 Sec. 9. 2025 Acts and Resolves No. 33, Sec. 19 is amended to read:

1 Sec. 19. FY 2026 AND 2027; CAPITAL PROJECTS; FY 2026 AND FY
2 2027 APPROPRIATIONS ~~ACT~~ ACTS; INTENT;
3 AUTHORIZATIONS

4 * * *

5 (b) Intent. It is the intent of the General Assembly to authorize certain
6 capital projects eligible for funding by 32 V.S.A. § 1001b in this act but
7 appropriate the funds for these projects in the FY 2026 and FY 2027
8 Appropriations ~~Act~~ Acts. It is also the intent of the General Assembly that the
9 FY 2026 and FY 2027 Appropriations ~~Act~~ Acts ~~appropriate~~ transfer funds to
10 the Fund established in 32 V.S.A. § 1001b for projects in FY 2026 and FY
11 2027.

12 (c) Authorizations; Capital Infrastructure subaccount. In FY 2026,
13 spending authority for the following capital projects from the Capital
14 Infrastructure subaccount of the Cash Fund for Capital and Essential
15 Investments are authorized as follows:

16 * * *

17 (7) to the Vermont Veterans' Home for the design and construction of
18 the American unit and sprinkler system installation: \$1,500,000.00

19 * * *

20 (f) Authorizations; Capital Infrastructure subaccount. In FY 2027,
21 spending authority for the following capital projects from the Capital

Infrastructure subaccount of the Cash Fund for Capital and Essential

Investments are authorized as follows:

(1) to the Department of Buildings and General Services for statewide
major maintenance: \$1,281,173.60

(2) to the Department of Buildings and General Services for statewide
physical security enhancements: \$225,000.00

(3) to the Department of Buildings and General Services for Asa
Bloomer roof replacement: \$3,600,000.00

(4) to the Department of Buildings and General Services for Rutland
multimodal garage renovation: \$900,000.00

(5) to the Department of Buildings and General Services for Burlington,
32 Cherry St. parking garage repairs: \$3,000,000.00

(6) to the Department of Buildings and General Services for the Agency
of Human Services for HVAC upgrades at correctional facilities:
\$1,050,000.00

(7) to the Department of Buildings and General Services for the Agency
of Human Services for statewide correctional facilities security upgrades:
\$225,000.00

(8) to the Department of Buildings and General Services for the Agency
of Human Services for door control upgrades at correctional facilities:
\$700,000.00

\$1,000,000.00

\$772,557.10

\$2,498,000.00

\$150,000.00

\$400,000.00

\$200,000.00

\$500,000.00

\$500,000.00

\$1,600,000.00

\$566,724.00

\$3,000,000.00

\$1,250,000.00

* * * Department of Environmental Conservation * * *

§ 4752. DEFINITIONS

* * *

VT LEG #388221 v.4

1 who reside in a nonprofit- or resident-owned mobile home park registered with
2 the Department of Housing and Community Development pursuant to 10
3 V.S.A. § 6254.

4 Sec. 11. 24 V.S.A. § 4771 is amended to read:

5 § 4771. CONDITIONS OF LOAN AGREEMENT

6 (a) VEDA may make loans to applicants on behalf of the State for one or
7 more of the purposes set forth in subsection 4770(b) of this title. Each such
8 loan shall be made subject to the following conditions:

9 (1) The loan shall be evidenced by a note payable over a term not to
10 exceed 30 years. Repayment shall commence not later than one year after
11 completion of the project for which loan funds have been applied.

12 (2) The loan shall be secured with assets as determined by VEDA.
13 VEDA may also require that the applicant assign all or a portion of the water
14 system revenues as security for the loan, or may require the establishment of a
15 reserve fund.

16 (3) The loan recipient shall establish a dedicated source of revenue for
17 repayment of the loan which may include a pledge of revenue from user
18 charges, tap fees, development charges, and pledges of accounts receivable and
19 the proceeds therefrom.

20 (4) The rate of interest charged for loans shall be set by the State
21 Treasurer, taking into consideration prevailing borrowing rates available to

1 similarly situated applicants from private lenders and administrative fees to be
2 charged to applicants. VEDA, in cooperation with the Secretary, shall
3 periodically recommend interest rates to be set by the State Treasurer ~~which~~
4 that are the lowest practicable rates consistent with maintaining the long-term
5 integrity of the Fund. The interest rate set by the State Treasurer may be less
6 than the prevailing borrowing rates available to similarly situated applicants
7 from private lenders, but not less than zero percent.

8 (5)(A) Notwithstanding ~~subdivision~~ subdivisions (1) and (4) of this
9 subsection (a), a privately owned nonprofit community type system may
10 qualify for a 40-year loan term at an interest rate, plus administrative fee, to be
11 established by the Secretary of Natural Resources that shall be not more than
12 three percent or less than minus three percent, provided that the applicant
13 system meets the income level and annual household user cost requirements of
14 a disadvantaged municipality as defined in subdivision 4752(12)(A) of this
15 title or is an eligible mobile home park water system, and at least 80 percent of
16 the residential units served by the water system is continuously occupied by
17 local residents and at least 80 percent of the water produced is for residential
18 use.

19 (B) [Repealed.]

20 (C) If the Secretary determines that a privately owned nonprofit
21 community type system qualifies for a loan under this subdivision (5), the

1 Secretary shall certify the loan term and interest rate to VEDA. ~~In no instance~~
2 ~~shall the~~ Except as applied to an eligible mobile home park water system, the
3 Secretary shall not certify an annual interest rate, plus an administrative fee, be
4 pursuant to this subdivision (C) that is less than is necessary to achieve an
5 annual household user cost equal to one percent of the median household
6 income of the applicant water system computed in the same manner as
7 prescribed in subdivision 4763c(b)(2) of this title.

8 * * *

9 * * * Division for Historic Preservation * * *

10 Sec. 12. 22 V.S.A. § 725 is amended to read:

11 § 725. ACCEPTANCE AND SOLICITATION OF FUNDS OR GIFTS FOR
12 HISTORIC SITES AND VERMONT ARCHAEOLOGY HERITAGE
13 CENTER

14 (a) With Notwithstanding 3 V.S.A. § 1203g and with the approval of the
15 Secretary of Administration, the State Historic Preservation Officer may accept
16 and solicit grants, gifts, donations, loans, or other things of value on behalf of
17 the Division for Historic Preservation for use by the Division for Historic
18 Preservation in establishing and maintaining displays and exhibits at any
19 historic site and at the Vermont Archaeology Heritage Center, or restoring any
20 historic site maintained and developed under section 723 of this chapter.

1 (b) In any request for approval of solicitation under this section, the State
2 Historic Preservation Officer shall specify the project and fundraising goal for
3 which the Officer is undertaking fundraising.

4 * * * Department of Forests, Parks and Recreation * * *

5 Sec. 13. DEPARTMENT OF FORESTS, PARKS AND RECREATION;

6 LITTLE RIVER STATE PARK LEASE

7 Notwithstanding 29 V.S.A. § 166, in fiscal year 2027, the Commissioner of
8 Forests, Parks and Recreation is authorized to enter into a long-term lease with
9 Vermont Huts Association Ltd. for the use of a structure at Little River State
10 Park and the land on which the structure is located, provided that the lease
11 specifies:

12 (1) the term of 20 years with an option to renew for an additional two
13 10-year terms at the Commissioner's discretion;

14 (2) the fee or fee formula to be used to compensate the State;

15 (3) conditions on the use of the structure, including the boundaries of the
16 land and structure to be leased;

17 (4) that Vermont Huts Association Ltd. shall secure insurance and be
18 subject to an indemnification clause consistent with Attachment C, Standard
19 State Provisions for Contracts and Grants, approved by the Agency of
20 Administration in Administrative Bulletin 3.5;

21 (5) provisions for the termination of the lease;

1 (6) requirements for the operation and maintenance of the leased
2 structure and lands, including responsibility for the costs of maintenance;
3 (7) how any conflict between the parties shall be resolved; and
4 (8) that a contract between the Department and Vermont Huts
5 Association Ltd., executed in accordance with the Standard State Provisions
6 for Contracts and Grants set forth in Administrative Bulletin 3.5 of the Agency
7 of Administration, be required for the relocation and reconstruction of the
8 Goodell House located at Little River State Park.

9 * * * Department of Buildings and General Services * * *

10 Sec. 14. SOUTHERN STATE CORRECTIONAL FACILITY; PROPERTY
11 TRANSFER

12 (a) Notwithstanding 29 V.S.A. § 166, the Commissioner of Buildings and
13 General Services is authorized to transfer to the Town of Springfield a portion
14 of the Southern State Correctional Facility property consisting of
15 approximately 22.93 acres to be used for municipal purposes, including
16 economic development as an industrial parcel, provided that the Commissioner
17 may transfer the property only if:

18 (1) the State obtains any State or local zoning or subdivision approvals
19 required for transfer;

20 (2) the State and the Town negotiate updates to the 1999 Agreement to:

1 (A) establish responsibility for the maintenance and upkeep of the
2 access road and the water and sewer service lines for the Facility and the
3 transferred property; and

4 (B) mitigate impacts to the Springfield community; and

5 (3) the transferred property does not include any brownfields.

6 (b) If the Town has not begun developing the transferred property for
7 purposes of economic development by the end of March 2030, the Town shall
8 consult with the Commissioner of Buildings and General Services to examine
9 alternative uses for the property.

10 Sec. 15. REPEALS

11 (a) 2024 Acts and Resolves No. 162, Sec. 23 (Southern State Correctional
12 Facility; transfer of parcel) is repealed.

13 (b) Sec. 14 of this act (Southern State Correctional Facility; property
14 transfer) is repealed on July 1, 2030.

15 * * * Agency of Human Services * * *

16 Sec. 16. HIGH-END SYSTEM FACILITIES FOR YOUTH

17 (a) Monthly from August through December 2026, the Agency of Human
18 Services, in consultation with the Departments for Children and Families and
19 of Buildings and General Services, shall report to the Joint Fiscal Committee
20 and the Joint Legislative Justice Oversight Committee on its plan to develop
21 the Green Mountain Youth Campus, including its progress on a complete,

1 unambiguous written analysis of the estimated costs of an annual operating
2 budget for full utilization of the proposed 41-bed high-end system of care
3 consistent with 2025 Acts and Resolves No. 27, Sec. E.300.1.

4 (b) Notwithstanding any other provision of law to the contrary, the
5 Departments for Children and Families and of Buildings and General Services
6 shall not expend funds for further development of the Green Mountain Youth
7 Campus in fiscal year 2027 until either:

8 (1) the Joint Fiscal Committee, in consultation with the chairs of the
9 House Committee on Corrections and Institutions and the Senate Committee
10 on Institutions, approves the resumption of expenditures for the Green
11 Mountain Youth Campus upon reviewing one or more of the reports received
12 pursuant to subsection (a) of this section while the General Assembly is
13 adjourned sine die; or

14 (2) the General Assembly authorizes resumption of spending by
15 legislative enactment.

16 Sec. 17. REPORT; WI-FI INSTALLATION IN STATE CORRECTIONAL
17 FACILITIES

18 The Secretary of Human Services, the Commissioner of Corrections, and
19 the Chief Information Officer of Digital Services shall monthly report while
20 the General Assembly is adjourned sine die in calendar year 2027 to the Joint
21 Legislative Justice Oversight Committee, in consultation with the chairs of the

1 House Committee on Corrections and Institutions and the Senate Committee
2 on Institutions, on the installation of WiFi in State correctional facilities
3 authorized pursuant to 2025 Acts and Resolves No. 33, Sec. 19(f)(19).

4 * * * Effective Date * * *

5 Sec. 18. EFFECTIVE DATE

6 This act shall take effect on passage.