Journal of the House

Friday, May 29, 2026

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

Devotional Exercises

Devotional exercises were conducted by Rep. Amy Sheldon of Middlebury.

Senate Proposal of Amendment Concurred in; Bill Ordered Delivered to Governor Forthwith

H. 931

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

An act relating to miscellaneous changes in education law

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:

* * * Approved Independent School Moratorium * * *

Sec. 1. 2023 Acts and Resolves No. 78, Sec. E.511.1, as amended by 2025 Acts and Resolves No. 72, Sec. 16, is amended to read:

Sec. E.511.1 MORATORIUM ON APPROVAL OF NEW APPROVED INDEPENDENT SCHOOLS

(a) Notwithstanding any provision of law to the contrary, the State Board of Education shall be prohibited from approving an application for initial approval of an approved independent school until further direction by the General Assembly.

(b) Notwithstanding subsection (a) of this section, a change in either tax status or conversion to a nonprofit organization by a therapeutic approved independent school, absent any other changes, shall not affect the approval status of the school.

(c) Notwithstanding subsections (a) and (b) of this section, the moratorium on approval of new approved independent schools shall not apply to changes in ownership of therapeutic approved independent schools as that term is defined in 16 V.S.A. § 828(d). If submission of an application for initial approval of an approved independent school is required as the result of a change in ownership of a therapeutic approved independent school that at the time of the change in ownership is approved by the State Board of Education pursuant to 16 V.S.A. § 166, and the school will remain a therapeutic approved

independent school after the change in ownership is complete, the moratorium created pursuant to subsection (a) of this section shall not apply and the Agency of Education and State Board of Education shall process the application according to applicable State and federal law.

* * * Interstate Compact for Education * * *

Sec. 2. 16 V.S.A. chapter 35 is added to read:

CHAPTER 35. INTERSTATE COMPACT FOR EDUCATION

§ 1501. PURPOSE AND POLICY—ARTICLE I

(a) It is the purpose of this compact to:

(1) establish and maintain close cooperation and understanding among executive, legislative, professional educational, and lay leadership on a nationwide basis at the state and local levels;

(2) provide a forum for the discussion, development, crystallization, and recommendation of public policy alternatives in the field of education;

(3) provide a clearinghouse of information on matters relating to education problems and how they are being met in different places throughout the nation, so that the executive and legislative branches of state government and of local communities may have ready access to the experience and record of the entire country, and so that both lay and professional groups in the field of education may have additional avenues for the sharing of experience and the interchange of ideas in the formation of public policy in education;

(4) facilitate the improvement of state and local education systems so that all of them will be able to meet adequate and desirable goals in a society that requires continuous qualitative and quantitative advance in educational opportunities, methods, and facilities.

(b) It is the policy of this compact to encourage and promote local and state initiative in the development, maintenance, improvement, and administration of education systems and institutions in a manner that will accord with the needs and advantages of diversity among localities and states.

(c) The party states recognize that each of them has an interest in the quality and quantity of education furnished in each of the other states, as well as in the excellence of its own education systems and institutions, because of the highly mobile character of individuals within the nation, and because the products and services contributing to the health, welfare, and economic advancement of each state are supplied in significant part by persons educated in other states.

§ 1502. STATE DEFINED—ARTICLE II

As used in this compact, "state" means a state, territory, or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.

§ 1503. THE COMMISSION—ARTICLE III

(a) The Education Commission of the States, hereinafter called "the Commission," is hereby established. The Commission shall consist of seven members representing each party state. One of such members shall be the governor; two shall be members of the state legislature selected by its respective houses and serving in such manner as the legislature may determine; and four shall be appointed by and serve at the pleasure of the governor, unless the laws of the state otherwise provide. If the laws of a state prevent legislators from serving on the Commission, six members shall be appointed and serve at the pleasure of the governor, unless the laws of the state otherwise provide. In addition to any other principles or requirements which a state may establish for the appointment and service of its members of the Commission, the guiding principle for the composition of the membership on the Commission from each party state shall be that the members representing such state shall, by virtue of their training, experience, knowledge, or affiliations, be in a position collectively to reflect broadly the interests of the state government, higher education, the state education system, local education, and lay and professional, public and nonpublic educational leadership. Of those appointees, one shall be the head of a state agency or institution, designated by the governor, having responsibility for one or more programs of public education. In addition to the members of the Commission representing the party states, there may be not to exceed 10 nonvoting commissioners selected by the Steering Committee for terms of one year. Such commissioners shall represent leading national organizations of professional educators or persons concerned with educational administration.

(b) The members of the Commission shall be entitled to one vote each on the Commission. No action of the Commission shall be binding unless taken at a meeting at which a majority of the total number of votes on the Commission are cast in favor thereof. Action of the Commission shall be only at a meeting at which a majority of the commissioners are present. The Commission shall meet at least once a year. In its bylaws, and subject to such directions and limitations as may be contained therein, the Commission may delegate the exercise of any of its powers to the Steering Committee or the Executive Director, except for the power to approve budgets or requests for appropriations, the power to make policy recommendations pursuant to section 1504 of this chapter, and adoption of the annual report pursuant to subsection (j) of this section.

(c) The Commission shall have a seal.

(d) The Commission shall elect annually, from among its members, a chairman, who shall be a governor; a vice chairman; and a treasurer. The Commission shall provide for the appointment of an Executive Director. Such Executive Director shall serve at the pleasure of the Commission, and together with the Treasurer and such other personnel as the Commission may deem appropriate shall be bonded in such amount as the Commission shall determine. The Executive Director shall be Secretary.

(e) Irrespective of the civil service, personnel, or other merit system laws of any of the party states, the Executive Director, subject to the approval of the Steering Committee, shall appoint, remove, or discharge such personnel as may be necessary for the performance of the functions of the Commission and shall fix the duties and compensation of such personnel. The Commission in its bylaws shall provide for the personnel policies and programs of the Commission.

(f) The Commission may borrow, accept, or contract for the services of personnel from any party jurisdiction, the United States or any subdivision or agency of the aforementioned governments, or from any agency of two or more of the party jurisdictions or their subdivisions.

(g) The Commission may accept for any of its purposes and functions under this compact any and all donations and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any state, the United States, or any other governmental agency, or from any person, firm, association, foundation or corporation, and may receive, utilize, and dispose of the same. Any donation or grant accepted by the Commission pursuant to this subsection or services borrowed pursuant to subsection (f) of this section shall be reported in the annual report of the Commission. Such report shall include the nature, amount, and conditions, if any, of the donation, grant, or services borrowed, and the identity of the donor or lender.

(h) The Commission may establish and maintain such facilities as may be necessary for the transacting of its business. The Commission may acquire, hold, and convey real and personal property and any interest therein.

(i) The Commission shall adopt bylaws for the conduct of its business and shall have the power to amend and rescind these bylaws. The Commission shall publish its bylaws in convenient form and shall file a copy thereof and a copy of any amendment thereto with the appropriate agency or officer in each of the party states.

(j) The Commission annually shall make to the governor and legislature of each party state a report covering the activities of the Commission for the preceding year. The Commission may make such additional reports as it may deem desirable.

§ 1504. POWERS—ARTICLE IV

In addition to authority conferred on the Commission by other provisions of the Compact, the Commission shall have authority to:

(1) collect, correlate, analyze, and interpret information and data concerning educational needs and resources;

(2) encourage and foster research in all aspects of education, but with special reference to the desirable scope of instruction, organization, administration, and instructional methods and standards employed or suitable for employment in public education systems;

(3) develop proposals for adequate financing of education as a whole and at each of its many levels;

(4) conduct or participate in research of the types referred to in this section in any instance where the Commission finds that such research is necessary for the advancement of the purposes and policies of this compact, using fully the resources of national associations, regional compact organizations for higher education, and other agencies and institutions, both public and private;

(5) formulate suggested policies and plans for the improvement of public education as a whole, or for any segment thereof, and make recommendations with respect thereto available to the appropriate governmental units, agencies, and public officials;

(6) do such other things as may be necessary or incidental to the administration of any of its authority or functions pursuant to this compact.

§ 1505. COOPERATION WITH FEDERAL GOVERNMENT—ARTICLE V

(a) If the laws of the United States specifically so provide, or if administrative provision is made therefore within the federal government, the United States may be represented on the Commission by not to exceed 10 representatives. Any such representative or representatives of the United States shall be appointed and serve in such manner as may be provided by or pursuant to federal law, and may be drawn from any one or more branches of the federal government, but no such representative shall have a vote on the Commission.

(b) The Commission may provide information and make recommendations to any executive or legislative agency or officer of the federal government concerning the common education policies of the states, and may advise with any such agencies or officers concerning any matter of mutual interest.

§ 1506. COMMITTEES—ARTICLE VI

(a) To assist in the expeditious conduct of its business when the full Commission is not meeting, the Commission shall elect a Steering Committee of 32 members which, subject to the provisions of this compact and consistent with the policies of the Commission, shall be constituted and function as provided in the bylaws of the Commission. One-fourth of the voting membership of the Steering Committee shall consist of governors, one-fourth shall consist of legislators, and the remainder shall consist of other members of the Commission. A federal representative on the Commission may serve with the Steering Committee, but without vote. The voting members of the Steering Committee shall serve for terms of two years, except that members elected to the first Steering Committee of the Commission shall be elected as follows: 16 for one year and 16 for two years. The Chairman, Vice Chairman, and Treasurer of the Commission shall be members of the Steering Committee and, anything in this subsection to the contrary notwithstanding, shall serve during their continuance in these offices. Vacancies in the Steering Committee shall not affect its authority to act, but the Commission at its next regularly ensuing meeting following the occurrence of any vacancy shall fill it for the unexpired term. No person shall serve more than two terms as a member of the Steering Committee, provided that service for a partial term of one year or less shall not be counted toward the two-term limitation.

(b) The Commission may establish advisory and technical committees composed of state, local and federal officials, and private persons to advise it with respect to any one or more of its functions. Any advisory or technical committee may, on request of the states concerned, be established to consider any matter of special concern to two or more of the party states.

(c) The Commission may establish such additional committees as its bylaws may provide.

§ 1507. FINANCE—ARTICLE VII

(a) The Commission shall advise the governor or designated officer or officers of each party state of its budget and estimated expenditures for such period as may be required by the laws of that party state. Each of the Commission's budgets of estimated expenditures shall contain specific recommendations of the amount or amounts to be appropriated by each of the party states.

(b) The total amount of appropriation requests under any budget shall be apportioned among the party states. In making such apportionment, the Commission shall devise and employ a formula which takes equitable account of the populations and per capita income levels of the party states.

(c) The Commission shall not pledge the credit of any party states. The Commission may meet any of its obligations in whole or in part with funds available to it pursuant to subsection 1503(g) of this chapter of this compact, provided that the Commission takes specific action setting aside such funds prior to incurring an obligation to be met in whole or in part in such manner. Except where the Commission makes funds available to it pursuant to subsection 1503(g) of this chapter thereof, the Commission shall not incur any obligation prior to the allotment of funds by the party states adequate to meet the same.

(d) The Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission shall be subject to the audit and accounting procedures established by its bylaws. However, all receipts and disbursements of funds handled by the Commission shall be audited yearly by a qualified public accountant, and the report of the audit shall be included in and become part of the annual reports of the Commission.

(e) The accounts of the Commission shall be open at any reasonable time for inspection by duly constituted officers of the party states and by any persons authorized by the Commission.

(f) Nothing contained herein shall be construed to prevent Commission compliance with laws relating to audit or inspection of accounts by or on behalf of any government contributing to the support of the Commission.

§ 1508. ELIGIBLE PARTIES; ENTRY INTO AND WITHDRAWAL—ARTICLE VIII

(a) This compact shall have as eligible parties all states, territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico. In respect of any such jurisdiction not having a governor, the term "governor," as used in this compact, shall mean the closest equivalent official of such jurisdiction.

(b) Any state or other eligible jurisdiction may enter into this compact, and it shall become binding thereon when it has adopted the same, provided that in order to enter into initial effect, adoption by at least 10 eligible party jurisdictions shall be required.

(c) Adoption of the Compact may be either by enactment thereof or by adherence thereto by the governor; provided that in the absence of enactment,

adherence by the governor shall be sufficient to make his state a party only until December 31, 1967. During any period when a state is participating in this compact through gubernatorial action, the governor shall appoint

those persons who, in addition to himself, shall serve as the members of the Commission from his state, and shall provide to the Commission an equitable share of the financial support of the Commission from any source available to him.

(d) Except for a withdrawal effective on December 31, 1967, in accordance with subsection (c) of this section, any party state may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after the governor of the withdrawing state has given notice in writing of the withdrawal to the governors of all other party states. No withdrawal shall affect any liability already incurred by or chargeable to a party state prior to the time of such withdrawal.

§ 1509. AMENDMENTS TO THE COMPACT—ARTICLE IX

This Compact may be amended by a vote of two-thirds of the members of the Commission present and voting when ratified by the legislatures of two-thirds of the party states.

§ 1510. CONSTRUCTION AND SEVERABILITY—ARTICLE X

This Compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this compact shall be severable, and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any state or of the United States, or the application thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of any state participating therein, the Compact shall remain in full force and effect as to the state affected as to all severable matters.

* * * Background Checks * * *

Sec. 3. 16 V.S.A. § 254a is added to read:

§ 254a. AGENCY OF EDUCATION EMPLOYEES

(a) The Agency of Education shall request criminal record information for a person the Secretary of Education is prepared to recommend for any full-time, part-time, or temporary employment or contractual relationship with the Agency if such person will have or has the potential to have unsupervised contact with students (the applicant).

(b) After signing a user agreement, the Secretary shall make a request for criminal records directly to the Vermont Crime Information Center.

(c) A request made under subsection (b) of this section shall be accompanied by a release signed by the applicant on a form provided by the Vermont Crime Information Center and a set of the applicant's fingerprints. The Agency shall pay the fingerprinting fee required pursuant to 20 V.S.A. § 2062 and shall pay any fee required by the FBI associated with a fingerprint-supported criminal record check. The release form to be signed by the applicant shall include a statement informing the applicant of:

(1) the right to challenge the accuracy of the record by appealing to the Vermont Crime Information Center pursuant to rules adopted by the Commissioner of Public Safety; and

(2) the Secretary of Education's policy regarding maintenance and destruction of records and the applicant's right to request that the record or notice be maintained for purposes of using it to comply with future criminal record check requests made pursuant to section 256 of this title.

(d) Upon completion of a criminal record check, the Vermont Crime Information Center shall send to the Secretary a notice that no record exists or, if a record exists, a copy of any criminal record. If a copy of a criminal record is received, the Secretary shall forward it to the applicant and shall inform the applicant in writing of:

(1) the right to challenge the accuracy of the record by appealing to the Vermont Crime Information Center pursuant to rules adopted by the Commissioner of Public Safety; and

(2) the Secretary of Education's policy regarding maintenance and destruction of records and the applicant's right to request that the record or notice be maintained for purposes of using it to comply with future criminal record check requests made pursuant to section 256 of this title.

(e) The Secretary shall request and obtain information from the Child Protection Registry maintained by the Department for Children and Families and from the Vulnerable Adult Abuse, Neglect, and Exploitation Registry maintained by the Department of Disabilities, Aging, and Independent Living (collectively, the Registries) for any applicant for whom a criminal record check is required under subsection (a) of this section. The Departments for Children and Families and of Disabilities, Aging, and Independent Living shall adopt rules in accordance with 3 V.S.A. chapter 25 governing the process for obtaining information from the Registries and for disseminating and maintaining records of that information under this subsection.

(f) An applicant convicted of a sex offense that requires registration pursuant to 13 V.S.A. chapter 167, subchapter 3 shall not be eligible for employment with the Agency.

Sec. 4. 16 V.S.A. § 256 is amended to read:

§ 256. CONTINUED VALIDITY OF CRIMINAL RECORD CHECK; MAINTENANCE OF RECORDS

(a)(1) Anyone required to request a criminal record check under this subchapter about a person who previously has undergone a check, regardless of whether the check was for student teaching, licensure, or employment purposes, shall comply with that requirement by acquiring the results of the previous criminal record check unless:

(A) the person refuses to authorize release of the information;

(B) the record no longer exists;

(C) since the record check, there has been a period of one year or more during which the person has not worked for a Vermont school district ~~or,~~ a recognized or an approved independent school, or the Agency of Education; or

(D) as otherwise required by this chapter.

(2) Anyone required to request a criminal record check under this subchapter about a person who has previously undergone a check may request a name and date of birth or fingerprint-supported recheck of the criminal record at any time during the course of the record subject's employment in the capacity for which the original check was required. Rechecking criminal records may be accomplished through a subscription service.

* * *

* * * Intercollegiate Sexual Harm Prevention Council * * *

Sec. 5. 16 V.S.A. § 183 is amended to read:

§ 183. INTERCOLLEGIATE SEXUAL HARM PREVENTION COUNCIL

(a) Creation. There is created the Intercollegiate Sexual Harm Prevention Council to ~~create a coordinated~~ advance best practices for prevention of and response to campus sexual harm across institutions of higher learning in Vermont.

(b) Membership.

~~(1)~~ The Council shall be composed of the following members:

~~(A)~~(1) ~~a~~ the Title IX coordinator ~~and a campus-based sexual harm prevention/education coordinator from an institution of higher learning, appointed by the Chancellor of the Vermont State Colleges~~ or designee from each postsecondary school chartered in Vermont with a physical campus located within Vermont;

~~(B)~~(2) ~~a Title IX coordinator and a campus-based sexual harm prevention/education coordinator from an institution of higher learning, appointed by the President of the University of Vermont~~ a peer educator or advocate appointed by the Vice Provost for Student Affairs of the University of Vermont;

~~(C)~~(3) ~~a Title IX coordinator and a campus-based sexual harm prevention/education coordinator from an institution of higher learning, appointed by the President of the Association of Vermont Independent Colleges~~ the Executive Director of the Network Against Domestic and Sexual Violence or designee;

~~(D)~~(4) ~~two community-based sexual violence advocates, appointed by the Network Against Domestic and Sexual Violence~~ the Program Coordinator of the Vermont Forensic Nursing Program or designee; and

~~(E)~~(5) ~~two law enforcement or public safety representatives with experience responding to and investigating campus sexual violence, appointed by the Commissioner of Public Safety;~~ the Commissioner of Public Safety or designee.

~~(F) three college students, at least one of whom has lived experience as a sexual violence survivor and one who represents a campus-based racial justice organization, appointed by the Center for Crime Victim Services;~~

~~(G) a person with expertise in sexual violence responses within the lesbian, gay, bisexual, transgender, and queer community, appointed by the Center for Crime Victim Services;~~

~~(H) a sexual assault nurse examiner, appointed by the Network Against Domestic and Sexual Violence;~~

~~(I) a prosecutor with experience in prosecuting sexual violence cases from either the Department of State's Attorneys and Sheriffs or the Office of the Attorney General, appointed by the Attorney General; and~~

~~(J) an attorney with experience in sexual violence cases, appointed by the Defender General.~~

~~(2) To ensure a council that is reflective of Vermont's college campuses, appointing authorities shall consider diversity when making appointments to the Council.~~

(c) Duties. The Council shall:

(1) ~~review the recommendations from the Report of the Vermont Campus Sexual Harm Task Force and develop prevention solutions to sexual harm based on those recommendations;~~ [Repealed.]

(2) ~~implement interdisciplinary planning and information sharing to support sexual violence prevention programs on every college campus in Vermont;~~ [Repealed.]

(3) ~~undertake an annual review of trends in aggregate data collected by institutions of higher learning regarding sexual violence on college campuses in Vermont;~~ [Repealed.]

(4) ~~identify and~~ share information about effective practices ~~on~~ regarding sexual violence prevention and response, sexual health education, and strategies for mitigating sexual harm and secondary impacts of sexual harm on college campuses in Vermont;

(5) ~~identify~~ share information about campus-wide activities, publications, and services that promote a campus culture of respect to support the prevention of sexual harm;

(6) ~~recommend statutory protections to the General Assembly not later than November 1, 2021 to ensure that survivors of sexual harm are not punished for reporting an incident of sexual violence due to alcohol, drug use, or other minor conduct violations occurring at or around the time of an assault; and~~ [Repealed.]

(7) ~~create or promote annual~~ share information about training opportunities addressing prevention and sexual assault response processes ~~open to representatives from all Vermont postsecondary schools~~ for college populations.

(d) ~~Assistance. The Council shall have the administrative and technical assistance of the Network Against Domestic and Sexual Violence.~~ [Repealed.]

(e) ~~Report. On or before December 1, 2022 and annually thereafter, the Council shall submit a written report to the General Assembly with a summary of activities and any recommendations for legislative action.~~ [Repealed.]

(f) Meetings.

(1) The Network Against Domestic and Sexual Violence shall call the first meeting of the Council to occur on or before ~~July 15, 2021~~ November 15, 2026.

(2) The Council shall select ~~a chair~~ co-chairs from among its members at the first meeting, with one chair representing a public postsecondary school and one chair representing a private postsecondary school.

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

(4) The Council shall meet ~~quarterly~~ twice per year.

(5) ~~Members who are not otherwise compensated by the member's employer for attendance at meetings shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010. These payments shall be made from monies appropriated to the Network Against Domestic and Sexual Violence for such purposes~~ The co-chairs shall provide the Council with administrative support.

(6) The Council may invite or consult other community representatives as it deems appropriate.

* * * Hazing, Harassment, and Bullying Advisory Council * * *

Sec. 6. 16 V.S.A. § 570 is amended to read:

§ 570. HARASSMENT, HAZING, AND BULLYING PREVENTION POLICIES

* * *

(d) Duties of the Secretary. The Secretary shall:

(1) develop ~~and, from time to time, update~~ model harassment, hazing, and bullying prevention policies; ~~and~~

(2) establish an Advisory Council ~~to review and coordinate school and statewide activities relating to the prevention of and response to harassment, hazing, and bullying. The Council shall report annually in January to the State Board and the House and Senate Committees on Education. The Council shall include:~~

~~(A) the Executive Director of the Vermont Principals' Association or designee;~~

~~(B) the Executive Director of the Vermont School Boards Association or designee;~~

~~(C) the Executive Director of the Vermont Superintendents Association or designee;~~

~~(D) the President of the Vermont-National Education Association or designee;~~

~~(E) the Executive Director of the Vermont Human Rights Commission or designee;~~

~~(F) the Executive Director of the Vermont Independent Schools Association or designee; and~~

~~(G) other members selected by the Secretary, at least one of whom shall be a current secondary student who has witnessed or experienced harassment, hazing, or bullying in the school environment~~; and

(3) provide the Advisory Council with administrative support.

(e) Advisory Council on Harassment, Hazing, and Bullying Prevention in Schools.

(1) Membership. The Advisory Council shall be composed of the following members:

(A) the Executive Director of the Vermont Principals' Association or designee;

(B) the Executive Director of the Vermont School Boards Association or designee;

(C) the Executive Director of the Vermont Superintendents Association or designee;

(D) the President of the Vermont-National Education Association or designee;

(E) the Executive Director of the Vermont Human Rights Commission or designee;

(F) the Executive Director of the Vermont Independent Schools Association or designee;

(G) two members who serve as designated employees under the hazing, harassment, and bullying prevention policy, appointed by the Secretary of Education;

(H) a member, appointed by the Vermont Educational Equity Collective;

(I) a school social worker, appointed by the National Association of Social Workers-Vermont Chapter;

(J) a member, appointed by the Vermont Coalition for Disability Rights;

(K) a student member, appointed by the Vermont Student Anti-Racism Network;

(L) a student member, appointed by Outright Vermont;

(M) a member, appointed by the Office of Racial Equity;

(N) a member, appointed by the Commission on Women;

(O) a member, appointed by the Vermont Network Against Domestic and Sexual Violence; and

(P) a parent or caregiver member, appointed by the Vermont Family Network.

(2) Duties. The Advisory Council shall:

(A) meet at least four and not more than 12 times per year;

(B) review and advise on coordination of school and statewide activities relating to the prevention of and response to harassment, hazing, and bullying;

(C) review the model harassment, hazing, and bullying prevention policies developed by the Secretary every three years, beginning in 2026, and recommend updates to the policies as necessary;

(D) review and advise on resources on harassment, hazing, and bullying prevention and response for school professionals;

(E) annually solicit input from students, parents, and schools on harassment, hazing, and bullying; and

(F) notwithstanding 2 V.S.A. § 20(d), annually on or before January 15, submit a written report to House and Senate Committees on Education, which shall hold a joint legislative hearing each legislative session to review the report. The Advisory Council shall also submit the report to the State Board of Education at the same time.

(3) Compensation and reimbursement. Members of the Advisory Council shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 12 meetings of the Advisory Council per year from funds appropriated to the Agency of Education.

~~(e)~~(f) Definitions. In this subchapter:

(1) "Educational institution" and "school" mean a public school or an approved or recognized independent school as defined in section 11 of this title.

(2) "Organization," "pledging," and "student" have the same meanings as in section 570i of this title.

(3) "Harassment," "hazing," and "bullying" have the same meanings as in subdivisions 11(a)(26), (30), and (32) of this title.

(4) "School board" means the board of directors or other governing body of an educational institution when referring to an independent school.

Sec. 7. APPROPRIATION

The sum of $21,000.00 is appropriated from the General Fund to the Agency of Education in fiscal year 2027 for per diem compensation and reimbursement of expenses for the Advisory Council on Harassment, Hazing, and Bullying Prevention as authorized pursuant to 16 V.S.A. § 570(e)(3).

* * * Energy Performance Contracting * * *

Sec. 8. 16 V.S.A. § 3448f(a)(1) is amended to read:

(1) "Cost-saving measure" means any facility improvement, repair, addition, or alteration or any equipment, fixture, or furnishing to be constructed or installed in any facility that is designed to reduce energy consumption and operating costs or to increase the operating efficiency of facilities for their appointed functions, that is cost effective, and that is further defined by State Board rule.

* * * Effective Date * * *

Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

Which proposal of amendment was considered and concurred in.

On motion of **Rep. McCoy of Poultney**, the bill was ordered delivered to the Governor forthwith pursuant to Joint Rule 15.

Recess

At ten o'clock and twenty-eight minutes in the forenoon, the Speaker declared a recess until the fall of the gavel.

Called to Order

At one o'clock and thirty-three minutes in the afternoon, the Speaker called the House to order.

Rules Suspended, Immediate Consideration; Governor's Veto Sustained

H. 727

On motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to sustainable data center deployment

Appearing on the Calendar for Notice, was taken up for immediate consideration.

Pursuant to Chapter II, Section 11 of the Vermont Constitution, the Clerk proceeded to call the roll and the question, Shall the bill pass, notwithstanding the Governor's refusal to approve the bill?, was decided in the negative.
Yeas, 83. Nays, 52. (2/3 of 135 votes - 90 Yeas - required to override.)

Those who voted in the affirmative are:

Arsenault of Williston
Austin of Colchester
Berbeco of Winooski
Birong of Vergennes
Bishop of Colchester
Black of Essex
Bluemle of Burlington
Boyden of Cambridge
Brady of Williston
Brown of Richmond
Burke of Brattleboro
Burkhardt of South Burlington
Burrows of West Windsor
Campbell of St. Johnsbury
Carris Duncan of Whitingham
Casey of Montpelier
Chapin of East Montpelier
Cina of Burlington
Cole of Hartford *
Conlon of Cornwall
Cooper of Pownal
Corcoran of Bennington
Critchlow of Colchester
Dolan of Essex Junction
Donahue of Northfield
Duke of Burlington
Durfee of Shaftsbury
Eastes of Guilford *
Emmons of Springfield
Garofano of Essex
Goldman of Rockingham
Goodnow of Brattleboro
Graning of Jericho
Greer of Bennington
Harple of Glover
Headrick of Burlington
Holcombe of Norwich
Houghton of Essex Junction
Hoyt of Hartford
Hunter of Manchester
James of Manchester
Kimbell of Woodstock
Kleppner of Burlington
Kornheiser of Brattleboro
Krasnow of South Burlington
Krowinski of Burlington
Lalley of Shelburne
LaLonde of South Burlington
LaMont of Morristown
Logan of Burlington *
Long of Newfane
Lueders of Lincoln
Masland of Thetford
McCann of Montpelier
McGill of Bridport
Mihaly of Calais
Minier of South Burlington
Morris of Springfield
Morrow of Weston *
Mrowicki of Putney
Noyes of Wolcott
Nugent of South Burlington
Ode of Burlington
Olson of Starksboro
Pezzo of Colchester
Pouech of Hinesburg
Priestley of Bradford
Rachelson of Burlington
Satcowitz of Randolph
Scheu of Middlebury
Sheldon of Middlebury
Sibilia of Dover *
Squirrell of Underhill
Stevens of Waterbury
Stone of Burlington
Sweeney of Shelburne
Tomlinson of Winooski
Waszazak of Barre City
Waters Evans of Charlotte
White of Waitsfield
White of Bethel
Wood of Waterbury
Yacovone of Morristown

Those who voted in the negative are:

Bailey of Hyde Park
Bartley of Fairfax
Bosch of Clarendon
Boutin of Barre City
Branagan of Georgia
Brigham of St. Albans Town
Burditt of West Rutland
Burtt of Cabot
Canfield of Fair Haven
Casey of Hubbardton
Charlton of Chester
Coffin of Cavendish
Demar of Enosburgh
Dickinson of St. Albans Town
Dobrovich of Williamstown
Dolgin of St. Johnsbury
Feltus of Lyndon
Galfetti of Barre Town
Goslant of Northfield
Hango of Berkshire
Harvey of Castleton *
Higley of Lowell
Howland of Rutland Town
Kascenska of Burke
Keyser of Rutland City
Labor of Morgan
Laroche of Franklin
Long of Milton
Luneau of St. Albans City
Malay of Pittsford
Marcotte of Coventry
McCoy of Poultney
Micklus of Milton
Morgan, L. of Milton
Morgan, M. of Milton
Morrissey of Bennington
Nelson of Derby
Nielsen of Brandon
North of Ferrisburgh
Oliver of Sheldon
Page of Newport City
Pinsonault of Dorset
Powers of Waterford
Pritchard of Pawlet *
Quimby of Lyndon
Soucy of Barre Town
Southworth of Walden
Steady of Milton
Tagliavia of Corinth
Taylor of Mendon
Walker of Swanton
Wells of Brownington

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

Bartholomew of Hartland
Bos-Lun of Westminster
Christie of Hartford
Dodge of Essex
Gregoire of Fairfield
Hooper of Randolph
Howard of Rutland City
Lipsky of Stowe
Maguire of Rutland City
Nigro of Bennington
O'Brien of Tunbridge
Parsons of Newbury
Scully of Burlington
Torre of Moretown
Winter of Ludlow

Rep. Cole of Hartford provided the following vote explanation:

"Madam Speaker:

Many commercial developments do not trigger Act 250 jurisdiction. By doing nothing, and sustaining the Governor's veto, we put the next generation in harm's way. This bill was the result of hard work and collaboration between Democrats, Republicans, and Independents, and I am gravely disappointed by this result."

Rep. Eastes of Guilford provided the following vote explanation:

"Madam Speaker:

I represent a Vermont town, Vernon, that will likely forever be forced to address potential crippling issues around energy and environment. I, for one, welcomed the protection offered by H.727."

Rep. Harvey of Castleton provided the following vote explanation:

"Madam Speaker:

Contrary to what some members have heard, I have not heard any concerns from constituents about data centers. Instead of focusing on a problem that is never coming, we should focus all of our efforts on a problem Vermonters do face: sky high energy costs they can no longer afford."

Rep. Logan of Burlington provided the following vote explanation:

"Madam Speaker:

Vermonters have made clear to us that data centers are not part of an acceptable economic development strategy. We need a governor with a new vision for our future."

Rep. Morrow of Weston provided the following vote explanation:

"Madam Speaker:

We have had many discussions about the cost of energy in this body. The Clean Heat Standard and the Renewable Energy Standard are reviled for their perceived potential impact on prices. Here we had an opportunity to protect Vermont ratepayers from electricity price increases and we have failed. The hypocrisy will not be lost on Vermonters."

Rep. Pritchard of Pawlet provided the following vote explanation:

"Madam Speaker:

I supported and voted for this bill in my committee. This is not the same bill I voted for and cannot support it today."

Rep. Sibilia of Dover provided the following vote explanation:

"Madam Speaker:

Vermonters' electric rates are being impacted by data centers in other states. We had an opportunity to put downward pressure, and we failed."

Recess

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

Message from the Senate No. 74

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

Madam Speaker:

I am directed to inform the House that:

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

S. 71. An act relating to consumer data privacy and online surveillance.

And has concurred therein.

The Senate has considered joint resolution originating in the House of the following title:

J.R.H. 12. Joint resolution authorizing remote joint committee voting through the remainder of calendar year 2026 and the application of the ADA thereto.

And has adopted the same in concurrence.

Message from the Senate No. 75

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

Madam Speaker:

I am directed to inform the House that:

The Senate has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon House bill of the following title:

H. 949. An act relating to homestead property tax yields, the nonhomestead property tax rate, and technical changes to education finance.

And has accepted and adopted the same on its part.

Message from the Senate No. 76

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

Madam Speaker:

I am directed to inform the House that:

The Senate has considered the reports of the Committees of Conference upon the disagreeing votes of the two Houses upon House bills of the following titles:

H. 933. An act relating to miscellaneous administrative and policy changes to the tax laws.

H. 955. An act relating to next steps in transforming Vermont's education system.

And has accepted and adopted the same on its part.

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

S. 313. An act relating to transforming Vermont's career technical education system.

And has concurred therein.

Called to Order

At three o'clock and forty-one minutes in the afternoon, the Speaker called the House to order.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in; Bill Ordered Delivered to Governor Forthwith

H. 211

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

An act relating to data brokers and personal information

Was taken up for immediate consideration.

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

First: In Sec. 1, 9 V.S.A. chapter 62, in subchapter 1, in section 2430, by striking out subdivision (16)(B) in its entirety and inserting in lieu thereof a new subdivision (16)(B) to read as follows:

(B) "Publicly available information" does not include:

(i) biometric data collected by a business about a consumer without the consumer's knowledge;

(ii) any obscene visual depiction, as defined in 18 U.S.C. § 1460;

(iii) genetic data, unless otherwise made publicly available by the consumer to whom the information pertains; or

(iv) intimate images, authentic or computer-generated, known to be nonconsensual.

Second: In Sec. 1, 9 V.S.A. chapter 62, in subchapter 5, in section 2446, in subdivision (a)(4), by striking out subdivision (A) in its entirety and inserting in lieu thereof a new subdivision (A) to read as follows:

(A) the name and primary physical, ~~e-mail, and Internet addresses~~ email, and internet addresses and phone number of the data broker;

Third: In Sec. 1, 9 V.S.A. chapter 62, in subchapter 5, in section 2446, in subdivision (a)(4)(E), by striking out subdivision (ii) in its entirety and inserting in lieu thereof a new subdivision (ii) to read as follows:

(ii) in the past year, has shared consumers' data with or sold consumers' data to:

(I) a foreign actor;

(II) the federal government;

(III) other state or local governments;

(IV) law enforcement, unless the data was shared pursuant to a subpoena or other court order; or

(V) a developer of a GenAI system or model;

Fourth: In Sec. 1, 9 V.S.A. chapter 62, in subchapter 5, in section 2446, in subdivision (a)(4)(I)(i), by striking out "pursuant to subsection (c) of this section" and inserting in lieu thereof "if the data broker permits deletion"

Fifth: In Sec. 1, 9 V.S.A. chapter 62, in subchapter 5, in section 2446, by striking out subsection (c) in its entirety and by relettering the remaining subsections to be alphabetically correct.

Sixth: In Sec. 1, 9 V.S.A. chapter 62, in subchapter 5, in section 2446, by striking out the newly relettered subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Consumer rights web page. The Secretary of State shall create and maintain a publicly accessible page on its website that provides consumers with the following:

(1) a downloadable spreadsheet of data brokers that have registered with the State along with the information a data broker provides during registration pursuant to subsection (a) of this section; and

(2) any additional information about the rights consumers have pursuant to this subchapter.

Seventh: In Sec. 1, 9 V.S.A. chapter 62, in subchapter 5, in section 2446, by adding a new subsection to be subsection (e) to read as follows:

(e) Definitions. As used in this subchapter, "consumer" means an individual residing in this State and does not include an individual acting in a commercial or employment context or as an employee, owner, director, officer, or contractor of a company, partnership, sole proprietorship, nonprofit organization, or government agency whose communications or transactions with the data broker occur solely within the context of that individual's role with the company, partnership, sole proprietorship, nonprofit organization, or government agency.

Eighth: By striking out Sec. 3, effective date, in its entirety and inserting in lieu thereof a reader assistance heading and a new Sec. 3 to read as follows:

* * * Cybersecurity Advisory Council * * *

Sec. 3. 20 V.S.A. § 4662 is amended to read:

§ 4662. CYBERSECURITY ADVISORY COUNCIL

(a) Creation. There is created the Cybersecurity Advisory Council to advise on the State's cybersecurity infrastructure, best practices, communications protocols, standards, training, and safeguards.

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

(1) the Chief Information Officer, who shall serve as the Chair or appoint a designee from the Council to serve as the Chair;

(2) the Chief Information Security Officer;

(3) a representative from a distribution or transmission utility, appointed by the Commissioner of Public Service;

(4) a representative from a State municipal water system, appointed by the Secretary of Natural Resources;

(5) a representative from a Vermont hospital, appointed by the President of the Vermont Association of Hospitals and Health Systems;

(6) a person representing a Vermont business related to an essential supply chain, appointed by the Chair of the Vermont Business Roundtable;

(7) the Director of Vermont Emergency Management or designee;

(8) the Governor's Homeland Security Advisor or designee;

(9) the Vermont Adjutant General or designee;

(10) the Attorney General or designee; ~~and~~

(11) the President of Vermont Information Technology Leaders or designee;

(12) the Chair of the House Committee on Energy and Digital Infrastructure;

(13) the Chair of the Senate Committee on Institutions; and

(14) a representative from the Judiciary, appointed by the Chief Justice of the Supreme Court.

* * *

Ninth: By adding a new section to be Sec. 3a to read as follows:

Sec. 3a. 2023 Acts and Resolves No. 71, Sec. 4 is amended to read:

Sec. 4. REPEAL

20 V.S.A. chapter 208 (cybersecurity) is repealed on June 30, ~~2028~~ 2033.

Tenth: By adding a reader assistance heading and a new section to be Sec. 4 to read as follows:

* * * Educational Technology * * *

Sec. 4. 9 V.S.A. chapter 62 is amended to read:

CHAPTER 62. PROTECTION OF PERSONAL INFORMATION

* * *

Subchapter 3A. Student Privacy

* * *

§ 2443f. ENFORCEMENT

(a) A person who violates a provision of this ~~chapter~~ subchapter commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

(b) The Attorney General has the same authority to adopt rules to implement the provisions of this subchapter and to conduct civil investigations, enter into assurances of discontinuance, and bring civil actions as provided under chapter 63, subchapter 1 of this title.

Subchapter 3B. Educational Technology

§ 2444a. REGISTRATION

(a) Definitions. As used in this section:

(1)(A) "Educational technology product" and "product" mean any software, application, or platform that may collect, process, or transmit student

data and that is used for teaching and learning purposes in a school in Vermont.

(B) "Educational technology product" and "product" does not include:

(i) hardware or other physical devices; or

(ii) a product that is being used in a school without the knowledge of the provider.

(2) "Filing" means an initial registration, amendment, periodic report, or other filing with the Secretary of State as the Secretary may require.

(3) "Provider of an educational technology product" and "provider" mean a person that provides an educational technology product that is in use at a school.

(4) "School" means a public school or an independent school approved pursuant to 16 V.S.A. § 166 and includes school districts.

(5) "School district" has the same meaning as in 16 V.S.A. § 11(a).

(b) Mandatory data reporting. In addition to all other requirements of a person registering with the Secretary of State pursuant to State law, a person doing business in this State as a provider of an educational technology product shall, at the time of a filing, provide the following:

(1) the name and primary physical, email, and internet addresses of the person;

(2) a link to the most recent version of the privacy policy and terms and conditions of each product in use in any school;

(3) the name of each school in which the provider is operating pursuant to a paid contract;

(4) the name and a brief description of each product of the provider, or a URL that provides the same information;

(5) which products may be in use in any school; and

(6) an attestation that each product meets:

(A) the standards set forth in subchapter 3A of this chapter (student privacy) and subchapter 6 of this chapter (the Vermont Age-Appropriate Design Code Act); and

(B) all relevant federal and State privacy laws, including the federal Children's Online Privacy Protection Act.

Eleventh: By adding a reader assistance heading and a new section to be Sec. 5 to read as follows:

* * * Effective Dates * * *

Sec. 5. EFFECTIVE DATES

(a) Secs. 1 and 4 shall take effect on January 1, 2027.

(b) This section and Secs. 2 and 3 shall take effect on July 1, 2026.

Twelfth: In Sec. 2, study of accessible deletion mechanism; report; appropriation, by striking out subsection (c) in its entirety.

Which proposal of amendment was considered and concurred in.

On motion of **Rep. McCoy of Poultney**, the bill was ordered delivered to the Governor forthwith pursuant to Joint Rule 15.

Rules Suspended, Immediate Consideration; Report of Committee of Conference Adopted; Bill Ordered Delivered to Governor Forthwith

H. 955

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 next steps in transforming Vermont's education system

Was taken up for immediate consideration.

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

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

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

H.955 An act relating to next steps in transforming Vermont's education system.

Respectfully reports that it has met and considered the same and recommends that the House accede to the Senate proposal of amendment with further amendment thereto as follows:

First: In Sec. 1, findings; legislative intent, in subsection (a) by striking out subdivision (4) in its entirety and by renumbering the remaining subdivisions to be numerically correct.

Second: In Sec. 2, 16 V.S.A. chapter 10, in section 603, in subdivision (a)(1), by striking out subdivisions (D) and (E) in their entireties and inserting in lieu thereof three new subdivisions to be subdivisions (D), (E), and (F) to read as follows:

(D) Maple Run Unified Union Supervisory District;

(E) Milton Supervisory District; and

(F) Missisquoi Valley Supervisory District.

Third: In Sec. 2, 16 V.S.A. chapter 10, in section 603, in subdivision (a)(2), by striking out subdivisions (D), (E), and (F) in their entireties and inserting in lieu thereof two new subdivisions to be subdivisions (D) and (E) to read as follows:

(D) South Burlington Supervisory District; and

(E) Winooski Supervisory District.

Fourth: In Sec. 2, 16 V.S.A. chapter 10, section 603, in subdivision (a)(5) by striking out subdivision (5) in its entirety and inserting in lieu thereof a new subdivision (5) to read as follows:

(5) Mountain Views Supervisory Union, which is composed of the member school districts of the Pittsfield School District and the Mountain Views School District;

Fifth: In Sec. 13, union school district creation consultation and facilitation; merger committees, in subdivision (b)(1), following "16 V.S.A. §§ 706 and 707." by inserting "A merger committee member shall be a current member of a school board participating in that particular merger committee. If the school board member assigned to a merger committee is no longer a member of the member's appointing school board for any reason, the school board shall appoint a new member to the merger committee."

Sixth: In Sec. 13, union school district creation consultation and facilitation; merger committees, in subdivision (b)(4), by striking out subdivision (A) in its entirety and inserting in lieu thereof a new subdivision (A) to read as follows:

(A)(i) If a merger committee identifies a school district as necessary that is not a member of the merger committee or that is not a member of the CESA, or both, the merger committee shall work with the applicable facilitator or facilitators to adjust merger committee membership as necessary.

(ii) A school district may join a different merger committee than the one it was assigned to by a facilitator if a majority of the school board

members vote to leave the assigned merger committee and join a new merger committee.

Seventh: In Sec. 13, union school district creation consultation and facilitation; merger committees, in subdivision (b)(5), following "determined it was inadvisable to form a new unified union school district." by inserting "The report shall be transmitted to the Secretary of Education and the State Board of Education at the same time."

Eighth: In Sec. 13, union school district creation consultation and facilitation; merger committees, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Secretary review. The Secretary shall review the report and proposed articles of agreement of any merger committee that determines it is advisable to propose the formation of a new unified union school district and submit a recommendation to the State Board. If the Secretary fails to submit the Secretary's recommendation to the State Board within 30 days following the receipt of the report and proposed articles of agreement or on or before December 1, 2027, whichever date shall occur first, the State Board shall take action pursuant to 16 V.S.A. § 709(c) regardless of whether the Secretary submits a recommendation regarding the proposed unified union school district.

Ninth: In Sec. 14, guidance for merger committee groupings, by striking out subdivisions (1)–(18) in their entireties and inserting in lieu thereof 20 new subdivisions to be subdivisions (1)–(20) to read as follows:

(1) Group one: Addison Central School District, Addison Northwest School District, Lincoln School District, and Mount Abraham Unified School District.

(2) Group two: Barstow Unified School District, Ira School District, Mill River Unified Union School District, Otter Valley Unified Union School District, Quarry Valley Unified Union School District, Rutland City School District, Rutland Town School District, and Slate Valley Unified Union School District.

(3) Group three: Mettawee School District, Stratton School District, Taconic and Green Regional School District, Wells Spring Unified Union School District, and Winhall School District.

(4) Group four: Arlington School District, Mount Anthony Union High School District #14, North Bennington Graded School District, Sandgate School District, and Southwest Vermont Union Elementary School District.

(5) Group five: Halifax School District, Readsboro School District, Searsburg School District, Somerset School District, Stamford School District, Twin Valley Unified School District, Vernon Town School District, and Windham Southeast School District.

(6) Group six: Athens Grafton School District, Bellows Falls Union High School District, Marlboro School District, River Valleys Unified School District, Rockingham School District, West River Modified Union Education District, Westminster School District, and Windham School District.

(7) Group seven: Green Mountain Unified School District, Ludlow-Mount Holly Unified Union School District, and Springfield School District.

(8) Group eight: Hartford School District, Hartland School District, Mount Ascutney School District, Mountain Views School District, Pittsfield School District, and Weathersfield School District.

(9) Group nine: Echo Valley Community School District, First Branch Unified School District, Granville-Hancock Unified District, Orange Southwest Unified Union School District, Rochester-Stockbridge Unified District, Sharon School District, Stafford School District, and White River Unified District.

(10) Group 10: Blue Mountain Union School District, Cabot School District, Caledonia Cooperative School District, Danville School District, Peacham School District, Oxbow Unified Union School District, Thetford Town School District, Twinfield Unified School District, and Waits River Valley Union School District #36.

(11) Group 11: Canaan School District, Essex North Supervisory Union, Kingdom East Unified Union School District, NEK Choice School District, and St. Johnsbury School District.

(12) Group 12: Brighton School District, Charleston School District, Coventry School District, Derby School District, Holland School District, Jay School District, Lake Region Union Elementary-Middle School District, Lake Region Union High School District, Lowell School District, Morgan School District, Newport City School District, Newport Town School District, North Country Union High School District, North Country Union Junior High School Board, Troy School District, and Westfield School District.

(13) Group 13: Mount Mansfield Unified Union School District and Champlain Valley School District.

(14) Group 14: Essex Westford Educational Community Unified Union School District.

(15) Group 15: Cambridge School District, Craftsbury School District, Elmore-Morristown Unified Union School District, Hazen Union School District, Lamoille North Modified Unified Union School District, Mountain View Union Elementary School District, Stannard Town School District, Stowe School District, and Wolcott School District.

(16) Group 16: Enosburgh-Richford Unified Union School District, Northern Mountain Valley Unified Union School District, and Missisquoi Valley School District.

(17) Group 17: Fairfax School District, Fletcher School District, Georgia School District, and Maple Run Unified School District.

(18) Group 18: Burlington School District, South Burlington School District, and Winooski ID.

(19) Group 19: Alburgh School District, Champlain Islands Unified Union School District, Colchester School District, Milton Town School District, and South Hero School District.

(20) Group 20: Barre Unified Union School District, Harwood Unified Union School District, Montpelier Roxbury School District, Paine Mountain School District, and Washington Central Unified Union School District.

Tenth: By striking out Sec. 24, tuition in excess of foundation formula; legislative intent, in its entirety and inserting in lieu thereof a new Sec. 24 to read as follows:

Sec. 24. 16 V.S.A. § 828 is amended to read:

§ 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL

* * *

(e) A school eligible to receive tuition pursuant to this section shall be prohibited from requiring tuition from a student attending the school, according to the provisions of this chapter, above the amount of tuition paid by a sending school district pursuant to section 823 of this chapter.

Eleventh: By striking out Sec. 24a, deleted, in its entirety and inserting in lieu thereof a new Sec. 24a to read as follows:

Sec. 24a. SCHOOL FEES; REPORT

On or before January 1, 2027, the Agency of Education shall submit a written report to the House Committees on Education and on Ways and Means and the Senate Committees on Education and on Finance with the following:

(1) information regarding the fees charged by public schools for both tuitioned students and resident students;

(2) information regarding fees charged by approved independent schools that are eligible to receive public tuition to students attending the school on public tuition; and

(3) recommendations for any guardrails necessary on a school's ability to charge fees to a publicly funded student under the foundation formula.

Twelfth: In Sec. 27, intradistrict budgeting; Agency of Education; District Quality Standards; rulemaking, by striking out "December 31, 2028" and inserting in lieu thereof "June 1, 2028"

Thirteenth: By striking out Sec. 29a, 2025 Acts and Resolves No. 73, Sec. 7, in its entirety and inserting in lieu thereof a new Sec. 29a to read as follows:

Sec. 29a. 2025 Acts and Resolves No. 73, Sec. 7 is amended to read:

Sec. 7. FAILURE TO COMPLY WITH EDUCATION QUALITY STANDARDS; STATE BOARD ACTION

(a) Notwithstanding 16 V.S.A. § 165(b)(4) and (5) and any other provision of law to the contrary, the State Board shall be prohibited from ordering school district consolidation or school consolidation if a school fails to comply with class size minimum education quality standards and the resulting consolidation would result in school construction costs in excess of the applicable district's capital reserve account until the General Assembly establishes new school district boundaries and takes further action regarding the consequences for failure to meet education quality standards.

(b) Notwithstanding 16 V.S.A. § 165(a)(9)(C) and (b), a school's failure to comply with the class size minimum requirements contained in 16 V.S.A. § 165(a)(9) shall not count towards the three consecutive school years of noncompliance that enables the Secretary to recommend action to the State Board until the State Board adopts updates to the Education Quality Standards rule 2000 series, Agency of Education, Education Quality Standards (22-000-003) to reflect the addition of class size minimums to the education quality standards, or July 1, 2027, whichever date shall come first.

Fourteenth: By adding two new reader assistance headings and three new sections to be Secs. 29c, 29d, and 29e to read as follows:

* * * Definitions * * *

Sec. 29c. 16 V.S.A. § 11 is amended to read:

§ 11. CLASSIFICATIONS AND DEFINITIONS

(a) As used in this title, unless the context otherwise clearly requires:

* * *

(36) "Average class size" means the total number of students enrolled across all classes included in a grade band or content area, as applicable, divided by the total number of individual classes contained in a grade band or content area, as applicable, calculated separately for each school and each grade band or content area, as specified in subdivision 165(a)(9) of this title; provided, however, that the following shall not be included in the determination of average class size:

(A) prekindergarten, kindergarten, career and technical education, flexible pathways, terminal courses, advanced placement courses, courses that require specialized equipment, and driver's education classes;

(B) small group services for the purpose of providing special education, supplemental or targeted academic intervention, or English learner instruction; and

(C) specialized or targeted academic opportunities.

(37) "Class" means a group of students, taught by a single teacher or team of teachers, organized for instruction in specific subjects or grade levels, for a defined period during the regular school day. Each course section shall be counted as a separate class. A class with more than one teacher of record shall be counted as a single class.

(38) "Content area" means a grouping of courses aligned to a single educator endorsement area as defined by the Vermont Standards Board for Professional Educators.

(39) "Full-time equivalent class" means the proportion of instructional time relative to a full school year.

(40) "School" means a public or independent educational institution with assigned staff, including teachers and administrators, that serves students within a dedicated building and that is identified by a unique state school identification number assigned by the National Center for Education Statistics.

(41) "School day" means the hours between the latest time at which a student may arrive at school and not be considered late and the time a student is dismissed from school, on a student attendance day.

(42) "Student" means a pupil enrolled in and assigned to a school as of October 1.

(43) "Teacher of record" means the educator primarily responsible for delivering instruction, assessing student learning, and assigning grades for a class, as designated in a school district's student information system.

* * *

Sec. 29d. DEFINITION RULEMAKING; STATE BOARD OF EDUCATION

The State Board of Education shall adopt rules pursuant to 3 V.S.A. chapter 25 that establish definitions for the terms contained in 16 V.S.A. § 11(a)(36)–(43). The Board may adopt rules pursuant to this section with definitions for the terms that differ from the definitions contained in statute.

* * * Prospective Repeals * * *

Sec. 29e. PROSPECTIVE REPEALS

(a) 16 V.S.A. § 11(a)(36)–(43) are repealed on the July 1 following the effective date of rules adopted pursuant to Sec. 29d of this act.

(b) 16 V.S.A. § 828(e) shall be repealed on July 1, 2029, if the cost-factor foundation formula report required pursuant to 2025 Acts and Resolves No. 73, Sec. 45a contains evidence that it costs more to educate students in grades nine through 12 but the General Assembly has failed to enact legislation to add a secondary student weight.

Fifteenth: In Sec. 66a, Facilities Master Plan Grant Program; appropriation, by striking out "$900,000.00" and inserting in lieu thereof "$800,000.00" and striking out "study committee" and inserting in lieu thereof "merger committee"

Sixteenth: In Sec. 67, Agency of Education, State Aid For School Construction; rulemaking, in subdivision (1), by striking out "study committee" and inserting in lieu thereof "merger committee"

Seventeenth: In Sec. 68a, State Aid For School Construction Program; intent, by striking out "Treasurer's" and inserting in lieu thereof "Capital Debt Affordability Advisory Committee's"

Eighteenth: In Sec. 69, 16 V.S.A. § 3440, in subsection (b), by striking out "study committee" and inserting in lieu thereof "merger committee"

Nineteenth: By striking out Sec. 74, 16 V.S.A. § 4033, in its entirety and inserting in lieu thereof a new Sec. 74 to read as follows:

Sec. 74. 16 V.S.A. § 4033 is added to read:

§ 4033. LEGACY DEBT AID

(a) A school district shall be eligible to receive legacy debt aid pursuant to this section only if the district is not identified as a bad faith participant in the facilitator report submitted pursuant to Sec. 15 of legislation enacted by the General Assembly in 2026 that requires each school board to participate in a

merger committee to study the advisability of forming a unified union school district.

(b) An eligible school district's legacy debt aid shall equal 75 percent of the debt service cost of any debt that is approved by the voters of the district related to facility construction and renovation and for which construction has begun as of December 31, 2024.

(c) Aid shall be awarded annually for annual debt service costs up to a maximum total annual amount of $45,750,000.00 and is subject to an annual appropriation for the purposes of the legacy debt aid.

(d) On or before February 15, 2029, a school district that is identified as a bad faith participant in the facilitator report submitted pursuant to Sec. 15 of legislation enacted by the General Assembly in 2026 that requires each school board to participate in a merger committee to study the advisability of forming a unified union school district may appeal the facilitator's determination to the Secretary of Education in order to receive aid under this section.

(e) On or before May 15, 2029, the Secretary of Education shall determine whether each school district that has submitted an appeal pursuant to subsection (d) of this section shall receive aid under this section. The Secretary's determination shall be final and shall not be subject to appeal. The Secretary shall develop written policies to implement the appeals process under this section.

Twentieth: By striking out Sec. 77, 32 V.S.A. § 5401(22), in its entirety and inserting in lieu thereof a new Sec. 77 to read as follows:

Sec. 77. 32 V.S.A. § 5401(22) is amended to read:

(22) "Supplemental district spending" means the spending that the voters of a school district approve in excess of the school district's educational opportunity payment, as defined in 16 V.S.A. § 4001(17), for the fiscal year, plus the annual debt service costs on any legacy school construction debt not covered by legacy debt aid pursuant to 16 V.S.A. § 4033, provided that the voters of a school district other than an interstate school district shall not approve spending in excess of five percent of the product of the base amount, as defined in 16 V.S.A. § 4001(16), and the school district's long-term membership, as defined in 16 V.S.A. § 4001(7). The cap on supplemental district spending shall not apply to school construction expenditures.

Twenty-first: In Sec. 80, educational opportunity payments; tuition; transition; fiscal years 2030–2033, in subdivision (c)(2), by striking out "2031" and inserting in lieu thereof "2030"

Twenty-second: In Sec. 86, effective dates, in subdivision (6), preceding "Sec. 29 (16 V.S.A. § 4019)" by inserting "Sec. 24 (16 V.S.A. § 828(e)),"

SEN. SETH BONGARTZ

SEN. RUTH E. HARDY

SEN. CHRISTOPHER P. MATTOS

Committee on the part of the Senate

REP. PETER C. CONLON

REP. EMILIE K. KORNHEISER

REP. BETH M. QUIMBY

Committee on the part of the House

Pending the question, Shall the House adopt the report of the Committee of Conference on its part?, **Rep. Burkhardt of South Burlington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House adopt the report of the Committee of Conference on its part?, was decided in the affirmative. Yeas, 125. Nays, 10.

Those who voted in the affirmative are:

Arsenault of Williston
Austin of Colchester
Bailey of Hyde Park
Bartley of Fairfax
Berbeco of Winooski
Birong of Vergennes
Bishop of Colchester *
Black of Essex
Bluemle of Burlington
Bosch of Clarendon
Boutin of Barre City
Boyden of Cambridge
Brady of Williston
Branagan of Georgia
Brigham of St. Albans Town
Brown of Richmond
Burditt of West Rutland
Burke of Brattleboro
Burkhardt of South Burlington *
Burtt of Cabot
Campbell of St. Johnsbury
Canfield of Fair Haven
Casey of Montpelier
Feltus of Lyndon
Galfetti of Barre Town
Garofano of Essex
Goldman of Rockingham
Goodnow of Brattleboro
Goslant of Northfield
Graning of Jericho *
Greer of Bennington
Hango of Berkshire
Harple of Glover
Harvey of Castleton
Headrick of Burlington
Higley of Lowell
Houghton of Essex Junction*
Howland of Rutland Town
Hoyt of Hartford
Hunter of Manchester
James of Manchester
Kascenska of Burke
Keyser of Rutland City
Kimbell of Woodstock
Kleppner of Burlington
Kornheiser of Brattleboro
Krasnow of South
Morgan, M. of Milton
Morris of Springfield
Morrissey of Bennington
Morrow of Weston
Mrowicki of Putney
Nelson of Derby *
Nielsen of Brandon
North of Ferrisburgh
Noyes of Wolcott
Nugent of South Burlington
Ode of Burlington
Oliver of Sheldon
Page of Newport City
Pezzo of Colchester
Pinsonault of Dorset
Pouech of Hinesburg
Powers of Waterford
Priestley of Bradford
Pritchard of Pawlet
Quimby of Lyndon
Rachelson of Burlington
Satcowitz of Randolph
Scheu of Middlebury
Sheldon of Middlebury

Casey of Hubbardton
Chapin of East Montpelier
Charlton of Chester
Cina of Burlington
Coffin of Cavendish
Cole of Hartford
Conlon of Cornwall
Cooper of Pownal
Corcoran of Bennington
Critchlow of Colchester
Demar of Enosburgh
Dickinson of St. Albans Town
Dodge of Essex
Dolan of Essex Junction
Dolgin of St. Johnsbury
Duke of Burlington
Durfee of Shaftsbury
Eastes of Guilford
Emmons of Springfield
Hooper of Randolph
Howard of Rutland City
Maguire of Rutland City
Nigro of Bennington
O'Brien of Tunbridge
Parsons of Newbury
Scully of Burlington
Torre of Moretown
Winter of Ludlow

Those who voted in the negative are:

Burrows of West Windsor
Carris Duncan of Whitingham
Donahue of Northfield
Holcombe of Norwich *
LaMont of Morristown
Lipsky of Stowe *
Luneau of St. Albans City
Masland of Thetford
Olson of Starksboro
Tomlinson of Winooski

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

Bartholomew of Hartland
Bos-Lun of Westminster
Christie of Hartford
Dobrovich of Williamstown
Gregoire of Fairfield

Rep. Bishop of Colchester provided the following vote explanation:

"Madam Speaker:

A devotional earlier this year shared a message from a Jewish text that, 'You are not obligated to complete the work, but neither are you free to abandon it.' For me, this speaks broadly to what motivates me to return to this Chamber, but specifically to the difficult work of education transformation that remains. I voted yes with the recognition that our work – difficult work – is not done."

Rep. Burkhardt of South Burlington provided the following vote explanation:

"Madam Speaker:

This bill goes some distance toward fixing some of the problems that prevented me from supporting Act 73. I still have serious concerns about this bill. I voted yes to continue the conversation, if I am lucky enough to be trusted by my constituents to serve in the next biennium."

Rep. Graning of Jericho provided the following vote explanation:

"Madam Speaker:

I vote yes to honor the countless hours that this body, the Commission on the Future of Public Education, and the School District Redistricting Task Force spent studying this issue and listening to Vermonters. I urge all of us involved in this transformation to continue to listen."

Rep. Holcombe of Norwich provided the following vote explanation:

"Madam Speaker:

Passage of this bill was certain, but I hope we approach quality of implementation and due diligence on the funding formula with the same fervor. I thank the Education Committee for their careful and principled work. I voted no as a caution. I voted no because our tax policy and now the Yield Bill, on which we are about to vote, undermine the careful intent of this bill by punishing districts before the supports, cost containment tools, and governance changes contemplated in this bill can take effect. I vote no because I don't know how districts can stay within the foundation plan, especially when the agency struggles and the Governor undermines attempts at cost containment, including reference-based pricing for teacher health care."

Rep. Houghton of Essex Junction provided the following vote explanation:

"Madam Speaker:

We listened to Vermonters. H.955 delivers a transformation plan focused on a strong public education system that expands opportunities for our kids, keeps decisions local, and will save money. There will continue to be work to do. I appreciate the work of your committees and our staff. I am proud to vote yes."

Rep. Lipsky of Stowe provided the following vote explanation:

"Madam Speaker:

I voted no because the property tax burden for my community was their number one concern. This bill's timeline does not move fast enough to reduce the cost to Stowe's homesteaders and other taxpayers because of our excessive Grand List."

Rep. Nelson of Derby provided the following vote explanation:

"Madam Speaker:

The promise of State aid for school construction has been needed for years. This is the incentive that will drive consolidation for efficiencies in education."

Rep. Sweeney of Shelburne provided the following vote explanation:

"Madam Speaker:

When I read the Redistricting Task Force Report in December, twice, I knew there was a viable plan in it. I want to thank the people who worked on that – and then took the heat for not including the maps. In the end, their overall plan is at the core of H.955 and I applaud all of them for that creative work."

On motion of **Rep. McCoy of Poultney**, the bill was ordered delivered to the Governor forthwith pursuant to Joint Rule 15.

Recess

At four o'clock and twenty-nine minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

Message from the Senate No. 77

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

Madam Speaker:

I am directed to inform the House that:

The Senate has on its part adopted joint resolution of the following title:

J.R.S. 56. Joint resolution relating to final adjournment of the General Assembly in 2026.

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

The Senate has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon House bill of the following title:

H. 951. An act relating to making appropriations for the support of the government.

And has accepted and adopted the same on its part.

Message from the Senate No. 78

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

Madam Speaker:

I am directed to inform the House that the Senate has on its part completed the business of the session and is ready to adjourn *sine die*, pursuant to the provisions of J.R.S. 56.

Called to Order

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

Rules Suspended, Immediate Consideration; Report of Committee of Conference Adopted; Bill Ordered Delivered to Governor Forthwith

H. 949

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 homestead property tax yields, the nonhomestead property tax rate, and technical changes to education finance

Was taken up for immediate consideration.

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

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

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

H. 949 An act relating to homestead property tax yields, the nonhomestead property tax rate, and technical changes to education finance.

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 as follows:

First: By striking out Secs. 1, property dollar equivalent yield, income dollar equivalent yield, and nonhomestead property tax rate for fiscal year 2027, and 2, Education Fund reserve; property tax rate offset, in their entireties and inserting in lieu thereof two reader assistance headings and two new Secs. 1 and 2 to read as follows:

* * * Yields * * *

Sec. 1. PROPERTY DOLLAR EQUIVALENT YIELD, INCOME DOLLAR EQUIVALENT YIELD, AND NONHOMESTEAD PROPERTY TAX RATE FOR FISCAL YEAR 2027

For fiscal year 2027 only:

(1) Pursuant to 32 V.S.A. § 5402b(b), the property dollar equivalent yield shall be $9,401.00.

(2) Pursuant to 32 V.S.A. § 5402b(b), the income dollar equivalent yield shall be $12,960.00.

(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 $1.643 per $100.00 of equalized education property value.

* * * Excess Spending Exemption * * *

Sec. 2. 16 V.S.A. § 4001(6) is amended to read:

(6) "Education spending" means the amount of the school district budget, any assessment for a joint contract school, career technical center payments made on behalf of the district under subsection 1561(b) of this title, and any amount added to pay a deficit pursuant to 24 V.S.A. § 1523(b) that is paid for by the school district, but excluding any portion of the school budget paid for from any other sources such as endowments, parental fundraising, federal funds, nongovernmental grants, or other State funds such as special education funds paid under chapter 101 of this title.

(A) [Repealed.]

(B) For all bonds approved by voters prior to July 1, ~~2024~~ 2026, voter-approved bond payments toward principal and interest shall not be included in "education spending" for purposes of calculating excess spending pursuant to 32 V.S.A. § 5401(12).

Second: By striking out Sec. 6, effective date, in its entirety and inserting in lieu thereof six reader assistance headings and 11 new sections to be Secs. 6–16 to read as follows:

* * * Excess Spending Penalty Transition Fiscal Years 2028–2032 * * *

Sec. 6. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

* * *

(12) "Excess spending" means~~:~~

~~(A) The~~ the per pupil spending amount of the district's education spending, as defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a capital construction reserve fund under 24 V.S.A. § 2804(b), that exceeds the excess spending threshold, as determined by the Secretary of Education on or before November 15 of each year based on the passed budgets to date.

~~(B) In excess of 118 percent of the statewide average district per pupil education spending increased by inflation, as determined by the Secretary of Education on or before November 15 of each year based on the passed budgets to date. As used in this subdivision, "increased by inflation" means increasing the statewide average district per pupil education spending for fiscal year 2025 by the most recent New England Economic Project cumulative price index, as of November 15, for state and local government purchases of goods and services, from fiscal year 2025 through the fiscal year for which the amount is being determined.~~

* * *

(18) "Excess spending base" means the statewide average district per pupil education spending for fiscal year 2025, as adjusted for inflation. The excess spending base shall be adjusted for inflation by adjusting the excess spending base by the change in the National Income and Product Accounts (NIPA) implicit price deflator for state and local government consumption expenditures published by the U.S. Department of Commerce, Bureau of Economic Analysis, as of November 15, from fiscal year 2025 through the fiscal year for which the amount is being determined, and rounding upward to the nearest whole dollar amount.

(19) "Excess spending threshold" means 112.5 percent of the excess spending base.

Sec. 7. EXCESS SPENDING PENALTY; TRANSITION

Notwithstanding 32 V.S.A. § 5401(19), beginning in fiscal year 2028, the excess spending threshold shall annually decrease according to the following schedule until reaching the statutory excess spending threshold in fiscal year 2032:

(1) in fiscal year 2028, 115.5 percent of the excess spending base;

(2) in fiscal year 2029, 114.5 percent of the excess spending base;

(3) in fiscal year 2030, 113.5 percent of the excess spending base;

(4) in fiscal year 2031, 113 percent of the excess spending base; and

(5) in fiscal year 2032, 112.5 percent of the excess spending base.

* * * Renter Credit Expansion Claim Year 2027 * * *

Sec. 8. 32 V.S.A. § 6066(b) is amended to read:

(b)(1) An eligible claimant who rented the homestead shall be entitled to a credit for the taxable year in an amount not to exceed ~~$2,500.00~~ $3,250.00, to be calculated as follows:

(A) If the claimant's income is less than or equal to the extremely low-income limit, the claimant shall be entitled to a credit in the amount of ~~10~~ 12.5 percent of fair market rent.

(B) If the claimant's income is greater than the extremely low-income limit but less than or equal to the very low-income limit, the claimant shall be entitled to a percentage of the credit that is proportional to the claimant's income that is less than the very low-income limit, determined by:

(i) subtracting the claimant's income from the very low-income limit;

(ii) dividing the value under subdivision (i) of this subdivision (1)(B) by the difference between the extremely low-income limit and the very low-income limit; and

(iii) multiplying the value under subdivision (ii) of this subdivision (1)(B) by ~~10~~ 12.5 percent of fair market rent.

(C) If the claimant's income is greater than the very low-income limit, the claimant shall not be entitled to a renter credit.

(D) A claimant who is eligible for a renter credit, including pursuant to this subsection (b), and who receives a rental subsidy shall be entitled to a credit in the amount of ~~10~~ 12.5 percent of gross rent paid.

(E) A renter credit shall be prorated by the number of calendar months in the taxable year during which the claimant rented the homestead, except for a credit based on gross rent paid under subdivision (D) of this subdivision (b)(1), and by the portion of the principal dwelling used for business purposes, if the portion used for business purposes includes more than 25 percent of the floor space of the dwelling.

(2) The Commissioner shall calculate the credit under subdivision (1) of this subsection (b) using the fair market rent corresponding to a number of bedrooms equal to the number of personal exemptions allowed under subdivision 5811(21)(C) of this title for the taxable year, provided that for claimants who resided with any person who was neither the claimant's dependent nor jointly filing spouse at any time during the taxable year, the Commissioner shall reduce the credit by 50 percent.

Sec. 9. 32 V.S.A. § 6067 is amended to read:

§ 6067. CREDIT LIMITATIONS

Only one individual per household per taxable year shall be entitled to a property tax credit under this chapter. An individual who received a homestead exemption or credit with respect to property taxes assessed by another state for the taxable year shall not be entitled to receive a credit under this chapter. No taxpayer shall receive a renter credit under subsection 6066(b) of this title in excess of ~~$2,500.00~~ $3,250.00. No taxpayer shall receive a property tax credit under subdivision 6066(a)(3) of this title greater than $2,400.00 or cumulative credit under subdivisions ~~6066(a)(1)-(2)~~ 6066(a)(1), (2), and (4) of this title greater than $5,600.00.

* * * Circuit Breaker Expansion Fiscal Year 2028 * * *

Sec. 10. 32 V.S.A. § 6066 is amended to read:

§ 6066. COMPUTATION OF PROPERTY TAX CREDIT AND RENTER CREDIT

(a) An eligible claimant who owned the homestead on April 1 of the year in which the claim is filed shall be entitled to a credit for the prior year's homestead property tax liability amount determined as follows:

(1)(A) For a claimant with household income of $90,000.00 or more:

* * *

(B) For a claimant with household income of less than $90,000.00 but more than ~~$47,000.00~~ $50,000.00, the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year, minus (if less) the sum of:

* * *

(C) For a claimant whose household income does not exceed ~~$47,000.00~~ $50,000.00, the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year, minus the lesser of:

* * *

(3) A claimant whose household income does not exceed ~~$47,000.00~~ $50,000.00 shall also be entitled to an additional credit amount from the claimant's municipal taxes for the upcoming fiscal year that is equal to the amount by which the municipal property taxes for the municipal fiscal year that began in the taxable year upon the claimant's housesite exceeds a percentage of the claimant's household income for the taxable year as follows:

If household income (rounded to the nearest dollar) is:	then the taxpayer is entitled to credit for the reduced property tax in excess of this percent of that income:
$0.00 – 9,999.00	1.50
$10,000.00 – ~~47,000.00~~ 50,000.00	3.00

(4) A claimant whose household income does not exceed ~~$47,000.00~~ $50,000.00 shall also be entitled to an additional credit amount from the claimant's statewide education tax for the upcoming fiscal year that is equal to the amount by which the education property tax for the municipal fiscal year that began in the taxable year upon the claimant's housesite, reduced by the credit amount determined under subdivisions (1) and (2) of this subsection, exceeds a percentage of the claimant's household income for the taxable year as follows:

If household income (rounded to the nearest dollar) is:	then the taxpayer is entitled to credit for the reduced property tax in excess of this percent of that income:
$0.00 – 9,999.00	0.5
$10,000.00 – 24,999.00	1.5
$25,000.00 – ~~47,000.00~~ 50,000.00	2.0

* * *

(b)(1) An eligible claimant who rented the homestead shall be entitled to a credit for the taxable year in an amount not to exceed ~~$3,250.00~~ $2,500.00, to be calculated as follows:

(A) If the claimant's income is less than or equal to the extremely low-income limit, the claimant shall be entitled to a credit in the amount of ~~12.5~~ 10 percent of fair market rent.

(B) If the claimant's income is greater than the extremely low-income limit but less than or equal to the very low-income limit, the claimant shall be entitled to a percentage of the credit that is proportional to the claimant's income that is less than the very low-income limit, determined by:

(i) subtracting the claimant's income from the very low-income limit;

(ii) dividing the value under subdivision (i) of this subdivision (1)(B) by the difference between the extremely low-income limit and the very low-income limit; and

(iii) multiplying the value under subdivision (ii) of this subdivision (1)(B) by ~~12.5~~ 10 percent of fair market rent.

(C) If the claimant's income is greater than the very low-income limit, the claimant shall not be entitled to a renter credit.

(D) A claimant who is eligible for a renter credit, including pursuant to this subsection (b), and who receives a rental subsidy shall be entitled to a credit in the amount of ~~12.5~~ 10 percent of gross rent paid.

(E) A renter credit shall be prorated by the number of calendar months in the taxable year during which the claimant rented the homestead, except for a credit based on gross rent paid under subdivision (D) of this subdivision (b)(1), and by the portion of the principal dwelling used for business purposes, if the portion used for business purposes includes more than 25 percent of the floor space of the dwelling.

(2) The Commissioner shall calculate the credit under subdivision (1) of this subsection ~~(b)~~ using the fair market rent corresponding to a number of bedrooms equal to the number of personal exemptions allowed under subdivision 5811(21)(C) of this title for the taxable year, provided that for claimants who resided with any person who was neither the claimant's dependent nor jointly filing spouse at any time during the taxable year, the Commissioner shall reduce the credit by 50 percent.

* * *

Sec. 11. 32 V.S.A. § 6067 is amended to read:

§ 6067. CREDIT LIMITATIONS

Only one individual per household per taxable year shall be entitled to a property tax credit under this chapter. An individual who received a

homestead exemption or credit with respect to property taxes assessed by another state for the taxable year shall not be entitled to receive a credit under this chapter. No taxpayer shall receive a renter credit under subsection 6066(b) of this title in excess of ~~$3,250.00~~ $2,500.00. No taxpayer shall receive a property tax credit under subdivision 6066(a)(3) of this title greater than ~~$2,400.00~~ $2,600.00 or cumulative credit under subdivisions 6066(a)(1), (2), and (4) of this title greater than ~~$5,600.00~~ $6,000.00.

* * * Conforming Changes for Foundation Formula Fiscal Year 2030 * * *

Sec. 12. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

* * *

(18) ~~"Excess spending base" means the statewide average district per pupil education spending for fiscal year 2025, as adjusted for inflation. The excess spending base shall be adjusted for inflation by adjusting the excess spending base by the change in the National Income and Product Accounts (NIPA) implicit price deflator for state and local government consumption expenditures published by the U.S. Department of Commerce, Bureau of Economic Analysis, as of November 15, from fiscal year 2025 through the fiscal year for which the amount is being determined, and rounding upward to the nearest whole dollar amount.~~ [Repealed.]

(19) ~~"Excess spending threshold" means 112.5 percent of the excess spending base.~~ [Repealed.]

Sec. 13. 32 V.S.A. § 6066 is amended to read:

§ 6066. COMPUTATION OF HOMESTEAD PROPERTY TAX EXEMPTION, MUNICIPAL PROPERTY TAX CREDIT, AND RENTER CREDIT

(a)(1) An eligible claimant who owned the homestead on April 1 of the claim year and whose household income does not exceed $115,000.00 shall be entitled to a homestead property tax exemption in the claim year in an amount determined as follows:

* * *

(2) An eligible claimant who owned the homestead on April 1 of the claim year and whose household income does not exceed ~~$47,000.00~~ $50,000.00 shall also be entitled to a credit amount against the claimant's municipal taxes for the upcoming fiscal year that is equal to the amount by which the municipal property taxes for the municipal fiscal year that began in

the taxable year upon the claimant's housesite exceeds a percentage of the claimant's household income for the taxable year as follows:

If household income (rounded to the nearest dollar) is:	then the taxpayer is entitled to credit for the reduced property tax in excess of this percent of that income:
$0.00 – 9,999.00	1.50
$25,000.00 – ~~47,000.00~~ 50,000.00	3.00

* * *

Sec. 14. 32 V.S.A. § 6067(c) is amended to read:

(c) Dollar amount. No claimant shall receive a renter credit under subsection 6066(b) of this title in excess of $2,500.00. No claimant shall receive a municipal property tax credit under subdivision 6066(a)(2) of this title greater than ~~$2,400.00~~ $2,600.00.

* * * Tuition * * *

Sec. 15. TUITION FOR FISCAL YEARS 2028–2032

Notwithstanding any provision of law to the contrary, for fiscal years 2028–2032 only, the tuition paid to a public or approved independent receiving school shall not increase from the prior year by more than the relative percentage change in statewide education spending between the previous fiscal year and the fiscal year preceding that. The tuition overcharge or undercharge provisions contained in 16 V.S.A. § 836 shall continue to apply in fiscal years 2028–2032.

* * * Effective Dates * * *

Sec. 16. EFFECTIVE DATES

(a) This section, Sec. 1 (yields), Sec. 3 (statewide adjustment correction), Sec. 4 (Barre TIF overpayment refund), and Sec. 5 (census grant inflator) shall take effect on July 1, 2026.

(b) Secs. 8 and 9 (one-year renter credit expansion) shall take effect on July 1, 2026, and apply to claim year 2027.

(c) Sec. 2 (excess spending exemption) shall take effect on July 1, 2027, and apply to fiscal year 2028 and after.

(d) Secs. 6 and 7 (excess spending penalty transition) shall take effect on July 1, 2027, and apply to fiscal year 2028 and after.

(e) Secs. 10 and 11 (circuit breaker expansion) shall take effect on July 1, 2027, and apply to fiscal year 2028 and after, except that amendments to the renter credit shall apply to claim year 2028 and after.

(f) Sec. 15 (tuition for fiscal years 2028–2032) shall take effect on July 1, 2027, and apply to fiscal years 2028–2032.

(g) Sec. 12 (excess spending repeal) shall take effect on June 30, 2029.

(h) Secs. 13 and 14 (conforming changes for foundation formula) shall take effect on July 2, 2029.

SEN. ANN E. CUMMINGS

SEN. THOMAS I. CHITTENDEN

SEN. SCOTT L. BECK

Committee on the part of the Senate

REP. EMILIE K. KORNHEISER

REP. CHARLES A. KIMBELL

REP. MARTHA A. FELTUS

Committee on the part of the House

Pending the question, Shall the House adopt the report of the Committee of Conference on its part?, **Rep. Burkhardt of South Burlington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House adopt the report of the Committee of Conference on its part?, was decided in the affirmative. Yeas, 111. Nays, 23.

Those who voted in the affirmative are:

Austin of Colchester
Bailey of Hyde Park
Bartley of Fairfax
Birong of Vergennes
Bishop of Colchester
Black of Essex
Bluemle of Burlington
Bosch of Clarendon
Boutin of Barre City
Boyden of Cambridge
Branagan of Georgia
Brigham of St. Albans Town
Burditt of West Rutland
Burke of Brattleboro
Burtt of Cabot
Garofano of Essex
Goldman of Rockingham
Goodnow of Brattleboro
Goslant of Northfield
Graning of Jericho
Greer of Bennington
Hango of Berkshire
Harple of Glover
Harvey of Castleton
Headrick of Burlington
Higley of Lowell
Houghton of Essex Junction
Howland of Rutland Town
Hunter of Manchester
James of Manchester
Morrissey of Bennington
Mrowicki of Putney
Nelson of Derby
Nielsen of Brandon
Noyes of Wolcott
Nugent of South Burlington
Ode of Burlington
Oliver of Sheldon
Olson of Starksboro
Page of Newport City
Pezzo of Colchester
Pinsonault of Dorset
Pouech of Hinesburg
Powers of Waterford
Priestley of Bradford

Campbell of St. Johnsbury
Canfield of Fair Haven
Carris Duncan of Whitingham
Casey of Hubbardton
Chapin of East Montpelier
Charlton of Chester
Conlon of Cornwall
Cooper of Pownal
Corcoran of Bennington
Critchlow of Colchester
Demar of Enosburgh
Dickinson of St. Albans Town
Dobrovich of Williamstown
Dodge of Essex
Dolan of Essex Junction
Dolgin of St. Johnsbury
Duke of Burlington
Durfee of Shaftsbury
Eastes of Guilford
Emmons of Springfield
Feltus of Lyndon
Galfetti of Barre Town
Kascenska of Burke
Keyser of Rutland City
Kimbell of Woodstock
Kleppner of Burlington
Kornheiser of Brattleboro
Krasnow of South Burlington
Labor of Morgan
Lalley of Shelburne
LaLonde of South Burlington
LaMont of Morristown
Laroche of Franklin
Long of Milton
Lueders of Lincoln
Malay of Pittsford
Marcotte of Coventry
McCoy of Poultney
McGill of Bridport
Micklus of Milton
Mihaly of Calais
Morgan, L. of Milton
Morgan, M. of Milton
Morris of Springfield
Pritchard of Pawlet
Quimby of Lyndon
Rachelson of Burlington
Satcowitz of Randolph
Scheu of Middlebury
Sheldon of Middlebury
Soucy of Barre Town
Southworth of Walden
Squirrell of Underhill
Steady of Milton
Stevens of Waterbury
Sweeney of Shelburne
Tagliavia of Corinth
Taylor of Mendon
Walker of Swanton
Waszazak of Barre City
Waters Evans of Charlotte
Wells of Brownington
White of Waitsfield
White of Bethel
Wood of Waterbury
Yacovone of Morristown

Those who voted in the negative are:

Arsenault of Williston *
Brady of Williston
Brown of Richmond
Burkhardt of South Burlington
Burrows of West Windsor
Casey of Montpelier
Cina of Burlington
Coffin of Cavendish *
Cole of Hartford
Donahue of Northfield
Holcombe of Norwich
Hoyt of Hartford
Lipsky of Stowe
Logan of Burlington
Long of Newfane
Luneau of St. Albans City
Masland of Thetford
McCann of Montpelier *
Minier of South Burlington
Morrow of Weston
Sibilia of Dover
Stone of Burlington
Tomlinson of Winooski

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

Bartholomew of Hartland
Berbeco of Winooski
Bos-Lun of Westminster
Christie of Hartford
Gregoire of Fairfield
Hooper of Randolph
Howard of Rutland City
Maguire of Rutland City
Nigro of Bennington
North of Ferrisburgh
O'Brien of Tunbridge
Parsons of Newbury
Scully of Burlington
Torre of Moretown
Winter of Ludlow

Rep. Arsenault of Williston provided the following vote explanation:

"Madam Speaker:

I voted no on the Committee of Conference Report for H.949. We've seen these so-called 'glide paths' before, and the result has not been good. In the case of Act 127, it was disastrous, requiring last-minute legislative action in an

attempt to correct our mistakes. Applying relatively simple concepts on top of our incredibly complex education funding system does not work. The reduced excess spending threshold in this bill compounds existing pressures on school districts, as does the one-time buy-down. When it comes to our schools, our communities, our kids – I believe we must value smart policy over short-term political wins."

Rep. Coffin of Cavendish provided the following vote explanation:

"Madam Speaker:

As much as I want to see the property tax brought down to 3.5%, that comes at the price of my constituents that are part of the eight sacrificial lambs that make this work."

Rep. McCann of Montpelier provided the following vote explanation:

"Madam Speaker:

The legislation passed this year adds an enormous amount of work to school districts and volunteer school boards. The Yield Bill is squeezing schools at a rate faster than the timeline for the foundation formula, expecting more for less. For this, I voted no."

On motion of **Rep. McCoy of Poultney**, the bill was ordered delivered to the Governor forthwith pursuant to Joint Rule 15.

Rules Suspended, Immediate Consideration; Report of Committee of Conference Adopted; Bill Ordered Delivered to Governor Forthwith

H. 933

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

An act relating to miscellaneous administrative and policy changes to the tax laws

Was taken up for immediate consideration.

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

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

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

H. 933 An act relating to miscellaneous administrative and policy changes to the tax laws.

Respectfully reports that it has met and considered the same and recommends that the House accede to the Senate proposal of amendment with further amendment thereto as follows:

First: By striking out Sec. 19, 3 V.S.A. § 24, in its entirety and inserting in lieu thereof a new Sec. 19 to read as follows:

Sec. 19. 3 V.S.A. § 24 is added to read:

§ 24. GOVERNOR'S LIST OF SCHOLARSHIP GRANTING ORGANIZATIONS

(a) Annually on December 1, the Governor or designee may elect to provide a list of organizations that satisfy the conditions of subsection (b) of this section to the U.S. Secretary of the Treasury for purposes of making the federal qualified elementary and secondary education scholarship tax credit available for Vermont taxpayers under 26 U.S.C. § 25F. It shall be presumed that an organization listed in the previous year will be listed in the subsequent year unless the Governor finds that the organization has failed to meet the requirements of this section.

(b) An organization shall not be listed unless the organization meets the following criteria:

(1) it qualifies as a "scholarship granting organization" as defined under 26 U.S.C. § 25F(c)(5);

(2) it is a nonprofit organization with the core mission of providing educational opportunities to economically underprivileged students through afterschool programs, summer programs, tutoring, and similar programs;

(3) all grants and scholarships provided by the organization are to students attending a public school, as defined in 16 V.S.A. § 11(a)(7), or an independent school, as defined in 16 V.S.A. § 11(a)(8), that is also capable of receiving public tuition;

(4) all grants and scholarships provided by the organization are for students to attend a program offered by a program provider that has entered into a memorandum of understanding pursuant to subsection (c) of this section with a public school, as defined in 16 V.S.A. § 11(a)(7); an independent school, as defined in 16 V.S.A. § 11(a)(8), that is also capable of receiving public tuition; or a school district, as defined in 16 V.S.A. § 11(a)(10); and

(5) when determining whether to award a scholarship, the organization does not discriminate against any student because of race, color, religion, ancestry, national origin, sex, sexual orientation, gender identity, place of birth, crime victim status, or age or against a student with a disability, as that term is defined under 21 V.S.A. § 495d(5).

(c) The memorandum of understanding between a program provider and school required under subdivision (b)(4) of this section shall include verification that the program provider offers a program that:

(1) is for after school, during a school break, for supplemental tutoring, or similar;

(2) is educational in nature; and

(3) does not discriminate against any student because of race, color, religion, ancestry, national origin, sex, sexual orientation, gender identity, place of birth, crime victim status, or age or against a student with a disability, as that term is defined under 21 V.S.A. § 495d(5).

(d) Annually, on or before January 15, each scholarship granting organization listed pursuant to subsection (a) of this section in the previous calendar year shall provide a report to the House and Senate Committees on Education providing the following information relating to activity in the previous year:

(1) the total amount provided in scholarships under this section;

(2) the total number of scholarships provided under this section;

(3) the total number of scholarship recipients;

(4) a complete list of afterschool programs, summer programs, tutoring, and similar programs that scholarship recipients attended using scholarship funds provided by the organization and the amount of scholarship funds received by each program;

(5) the total number of individuals who made donations to the organization, including the zip code of each individual donor;

(6) the total amount of money received as donations;

(7) the total amount spent on administrative costs with a description of those administrative costs and an accounting of any unspent funds currently held; and

(8) a list identifying all employees, officers, and board members of the organization that includes, for every individual, the name of the position held and compensation received.

(e) In the Governor's discretion, the Governor may audit an organization seeking placement on the list, or a program receiving scholarship funds under this section, to ensure the organization meets all the requirements for placement as provided by this section and applicable federal law. The

Governor shall not list an organization that the Governor knows is not in compliance with the requirements of this section or 26 U.S.C. § 25F(c)(5).

(f)(1) If the Attorney General finds that any provision of this act is rendered invalid due to a federal act, federal agency rule, or court of competent jurisdiction, the Attorney General shall submit written notice of the invalidation to the Governor, the Speaker of the House, and President Pro Tempore of the Senate that the provision is invalid.

(2) Upon receipt of the notice provided under subdivision (1) of this subsection, neither the Governor nor the Governor's designee shall provide a list of organizations to the U.S. Secretary of the Treasury under subsection (a) of this section until the General Assembly has enacted legislation addressing the invalidated provision.

Second: By striking out Sec. 22, repeal; Commissioner of Fish and Wildlife rule on fees for the use of Fish and Wildlife Department lands and facilities, in its entirety and inserting in lieu thereof a new Sec. 22 to read as follows:

Sec. 22. REPEAL; COMMISSIONER OF FISH AND WILDLIFE RULE ON FEES FOR THE USE OF FISH AND WILDLIFE DEPARTMENT LANDS AND FACILITIES

Notwithstanding 3 V.S.A. § 848, Commissioner of Fish and Wildlife Rule 2008-01, CVR 12-010-075, Fees for the Use of Fish and Wildlife Department Lands and Facilities will remain in effect through June 30, 2027, and will be repealed on July 1, 2027.

Third: By striking out Sec. 50, 24 V.S.A. § 138, in its entirety and inserting in lieu thereof a new Sec. 50 to read as follows:

Sec. 50. [Deleted.]

Fourth: In Sec. 63a, Burlington Waterfront Tax Increment Financing District; findings; intent, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) It is the intent of the General Assembly to clarify that the City of Burlington may retain State education tax increment and municipal tax increment until June 30, 2035, consistent with the methodology approved by the Joint Fiscal Committee on September 10, 2009, for the following three properties located at 49 Church Street and 75 Cherry Street, as designated on the City of Burlington's Tax Parcel Maps:

(1) Parcel ID# 044-4-004-000;

(2) Parcel ID# 044-4-004-001; and

(3) Parcel ID# 044-4-033-000.

Fifth: By adding three new sections to be Secs. 63c, 63d, and 63e to read as follows:

Sec. 63c. 16 V.S.A. § 4025 is amended to read:

§ 4025. EDUCATION FUND

(a) The Education Fund is established to comprise the following:

* * *

(4) ~~29~~ 32.5 percent of the revenues from the meals and rooms taxes imposed under 32 V.S.A. chapter 225;

(5) ~~27~~ 21 percent of the revenues raised from the purchase and use tax imposed by 32 V.S.A. chapter 219, notwithstanding 19 V.S.A. § 11(1);

* * *

Sec. 63d. 32 V.S.A. § 435(b)(7) is amended to read:

(7) ~~65~~ 61.5 percent of the meals and rooms taxes levied pursuant to chapter 225 of this title;

Sec. 63e. LEGISLATIVE INTENT; TRANSPORTATION AND EDUCATION FUNDS

It is the intent of the General Assembly, in future fiscal years, to gradually shift additional revenue generated by the motor vehicle purchase and use tax to the Transportation Fund. It is further intended that any future changes resulting in a decrease of revenues deposited in the Education Fund be accompanied by other revenue policy measures that mitigate any impact on statewide education property taxes.

Sixth: In Sec. 64, effective dates, by striking out subdivision (10) in its entirety and inserting in lieu thereof a new subdivision (10) to read as follows:

(10) Secs. 62 and 63 (deposit of meals and rooms tax and purchase and use tax revenues) shall take effect on July 1, 2026, and apply beginning with fiscal year 2027.

Seventh: In Sec. 64, effective dates, by adding a new subdivision to be subdivision (11) to read as follows:

(11) Secs. 63c and 63d (deposit of meals and rooms tax and purchase and use tax revenues) shall take effect on July 1, 2027, and apply beginning with fiscal year 2028.

SEN. ANN E. CUMMINGS

SEN. RUTH E. HARDY

SEN. CHRISTOPHER P. MATTOS

Committee on the part of the Senate

REP. EMILIE K. KORNHEISER

REP. WILLIAM P. CANFIELD

REP. CHARLES A. KIMBELL

Committee on the part of the House

Which was considered and adopted on the part of the House.

On motion of **Rep. McCoy of Poultney**, the bill was ordered delivered to the Governor forthwith pursuant to Joint Rule 15.

Rules Not Suspended to Take Up Committee of Conference Report for Immediate Consideration

S. 208

Appearing on the Notice Calendar, **Rep. Houghton of Essex Junction** moved that the rules be suspended and the Committee of Conference report on Senate bill, entitled

An act relating to standards for law enforcement identification

Be taken up for immediate consideration.

Pending the question, Shall the House suspend its rules to take up Senate Bill 208 off the Notice Calendar, for immediate consideration?,
Rep. Houghton of Essex Junction demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House suspend its rules to take up Senate Bill 208 off the Notice Calendar, for immediate consideration?, was decided in the negative. Yeas, 81. Nays, 51. (3/4 of 132 votes - 99 Yeas - required to suspend rules.)

Those who voted in the affirmative are:

Arsenault of Williston
Austin of Colchester
Berbeco of Winooski
Birong of Vergennes
Bishop of Colchester
Black of Essex
Bluemle of Burlington
Boyden of Cambridge
Eastes of Guilford
Emmons of Springfield
Garofano of Essex
Goldman of Rockingham *
Goodnow of Brattleboro
Graning of Jericho *
Greer of Bennington
Harple of Glover
McGill of Bridport *
Mihaly of Calais
Minier of South Burlington
Morrow of Weston
Mrowicki of Putney
Noyes of Wolcott
Nugent of South Burlington
Ode of Burlington

Brady of Williston
Brown of Richmond
Burke of Brattleboro
Burkhardt of South Burlington
Campbell of St. Johnsbury
Carris Duncan of Whitingham
Casey of Montpelier
Chapin of East Montpelier
Cina of Burlington *
Cole of Hartford
Conlon of Cornwall
Cooper of Pownal
Corcoran of Bennington
Critchlow of Colchester
Dodge of Essex *
Dolan of Essex Junction
Donahue of Northfield
Duke of Burlington
Durfee of Shaftsbury
Headrick of Burlington
Holcombe of Norwich
Houghton of Essex Junction
Hoyt of Hartford
Hunter of Manchester
James of Manchester
Kimbell of Woodstock
Kleppner of Burlington
Kornheiser of Brattleboro
Krasnow of South Burlington
Lalley of Shelburne
LaLonde of South Burlington
LaMont of Morristown
Lipsky of Stowe
Logan of Burlington
Long of Newfane
Lueders of Lincoln
Masland of Thetford
McCann of Montpelier
Olson of Starksboro
Pezzo of Colchester
Pouech of Hinesburg *
Priestley of Bradford
Rachelson of Burlington
Scheu of Middlebury
Sheldon of Middlebury
Sibilia of Dover
Squirrell of Underhill
Stevens of Waterbury
Stone of Burlington
Sweeney of Shelburne
Tomlinson of Winooski
Waszazak of Barre City
Waters Evans of Charlotte
White of Waitsfield
White of Bethel
Wood of Waterbury
Yacovone of Morristown

Those who voted in the negative are:

Bailey of Hyde Park
Bosch of Clarendon
Boutin of Barre City
Branagan of Georgia
Brigham of St. Albans Town
Burditt of West Rutland
Burtt of Cabot
Canfield of Fair Haven
Casey of Hubbardton
Charlton of Chester
Coffin of Cavendish
Demar of Enosburgh
Dickinson of St. Albans Town
Dobrovich of Williamstown
Dolgin of St. Johnsbury
Feltus of Lyndon
Galfetti of Barre Town *
Goslant of Northfield
Hango of Berkshire
Harvey of Castleton
Higley of Lowell
Howland of Rutland Town
Kascenska of Burke
Keyser of Rutland City
Labor of Morgan
Laroche of Franklin
Long of Milton
Luneau of St. Albans City
Malay of Pittsford
Marcotte of Coventry
McCoy of Poultney
Micklus of Milton
Morgan, L. of Milton
Morgan, M. of Milton
Morris of Springfield
Morrissey of Bennington
Nelson of Derby
Nielsen of Brandon
Oliver of Sheldon
Page of Newport City
Pinsonault of Dorset
Powers of Waterford
Pritchard of Pawlet
Quimby of Lyndon
Soucy of Barre Town
Southworth of Walden
Steady of Milton
Tagliavia of Corinth
Taylor of Mendon
Walker of Swanton
Wells of Brownington *

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

Bartholomew of Hartland
Bartley of Fairfax
Bos-Lun of Westminster
Burrows of West Windsor
Christie of Hartford
Gregoire of Fairfield
Hooper of Randolph
Howard of Rutland City
Maguire of Rutland City
Nigro of Bennington
North of Ferrisburgh
O'Brien of Tunbridge
Parsons of Newbury
Satcowitz of Randolph
Scully of Burlington
Torre of Moretown
Winter of Ludlow

Rep. Cina of Burlington provided the following vote explanation:

"Madam Speaker:

When it comes to protecting Vermonters from ICE, obstruction is collaboration. I vote yes for fair debate of this important issue."

Rep. Dodge of Essex provided the following vote explanation:

"Madam Speaker:

I vote yes because I don't want Vermont to be ruled by brownshirt thugs."

Rep. Galfetti of Barre Town provided the following vote explanation:

"Madam Speaker:

The Senate put back in the language this body lacked the courage to last time we considered S.208; I see no reason to advance a bill strictly to allow people to flipflop."

Rep. Goldman of Rockingham provided the following vote explanation:

"Madam Speaker:

I believe that the body should have the opportunity to hear the report of the Committee of Conference on S.208. Vermonters deserve to see and know who the law enforcement officers are operating in our State."

Rep. Graning of Jericho provided the following vote explanation:

"Madam Speaker:

Vermonters deserve the protections that S.208 provides. The Legislature should be allowed to vote on this bill without additional cost to taxpayers."

Rep. McGill of Bridport provided the following vote explanation:

"Madam Speaker:

I voted yes because the question is really about whether this body is willing to have a timely debate and take a public vote on an issue that Vermonters have made clear matters deeply to them. I led the effort to bring this bill to its current form because I heard overwhelmingly from my community that they wanted action. In fact, I heard more from constituents about this issue than any other single issue we have considered this biennium. Whether members ultimately support or oppose the bill, Vermonters deserve to know where their elected officials stand. They deserve a transparent vote."

Rep. Pouech of Hinesburg provided the following vote explanation:

"Madam Speaker:

I voted yes to suspend rules and allow this body to take up S.208. My constituents reached out in droves asking for an honest vote on this bill. By not allowing a fair vote we put a mask on democracy."

Rep. Wells of Brownington provided the following vote explanation:

"Madam Speaker:

My nephew has four children; he has a mortgage and car payments. He works 60 to 70 hours a week to put food on the table, to pay for dancing lessons for his daughters, and to buy soccer spikes for his sons. He coaches baseball in the summer and hockey in the winter. My nephew is a United States Federal ICE agent! Now, I know many people think it's fashionable to ridicule law enforcement at all levels and paint them all with the same brush no matter their daily activities. With a young family at home, I totally understand why he wants his identity concealed."

Rules Suspended, Immediate Consideration; Report of Committee of Conference Adopted; Bill Ordered Delivered to Governor Forthwith

H. 951

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 the government

Was taken up for immediate consideration.

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

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

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

H.951 An act relating to making appropriations for the support of government.

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

* * * Purpose, Definitions, Legend * * *

Sec. A.100 SHORT TITLE

(a) This bill may be referred to as the "BIG BILL – Fiscal Year 2027 Appropriations Act."

Sec. A.101 PURPOSE

(a) The purpose of this act is to provide appropriations for the operations of State government and for capital appropriations not funded with bond proceeds during fiscal year 2027. It is the express intent of the General Assembly that activities of the various agencies, departments, divisions, boards, offices, and commissions be limited to those that can be supported by funds appropriated in this act or other acts passed prior to June 30, 2026. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2027 so as to meet this condition unless otherwise directed by specific language in this act or other acts of the General Assembly.

Sec. A.102 APPROPRIATIONS

(a) It is the intent of the General Assembly that this act serves as the primary source and reference for appropriations for the operations of State government and for capital appropriations not funded with bond proceeds in fiscal year 2027.

(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 operating 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. Capital appropriations funded from the Capital Infrastructure Subaccount in the Cash Fund for Capital and Essential Investments shall be subject to the provisions of 32 V.S.A. § 1001b(e). 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, 2027.

Sec. A.103 DEFINITIONS

(a) As used in this act:

(1) "Capital appropriation" means an appropriation for tangible capital investments or expenses that are eligible to be funded from general obligation

debt financing and are allowed under federal laws governing the use of State bond proceeds as described in 32 V.S.A. § 309.

(2) "Encumbrances" means a portion of spending authority reserved for the subsequent payment of existing travel authorizations, purchase orders, grants, or contracts. The Commissioner of Finance and Management shall make final decisions on the appropriateness of encumbrances.

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

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

(5) "Personal services" means wages and salaries, fringe benefits, per diems, 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 2027, 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 2027, federal funds available to the State and designated as federal in this and other acts of the 2026 session of the General Assembly are converted into block grants or are abolished under their current title in federal law and reestablished under a new title in federal law, the

Governor may continue to accept such federal funds for any purpose consistent with the purposes for which the federal funds were appropriated. The Governor may spend such funds for such purposes for not more than 45 days prior to General Assembly or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor's request for approval.

Sec. A.107 NEW POSITIONS

(a) Notwithstanding any other provision of law, the total number of authorized State positions, both classified and exempt, excluding temporary positions as defined in 3 V.S.A. § 311(a)(11), shall not be increased during fiscal year 2027 except for new positions authorized by the General Assembly during the 2026 session. Limited service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction.

Sec. A.108 LEGEND

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

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

appropriation actions

(b) The C sections contain any amendments to the current fiscal year; the D sections contain fund allocations, transfers, reversions, and reservations for the upcoming budget year; the F sections contain the Pay Act; and the G section contains effective dates applicable to the act itself or specific sections within this act.

* * * Fiscal Year 2027 Base Appropriations * * *

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

Personal services	2,506,216
Operating expenses	266,559
Grants	125,000
Total	2,897,775
Source of funds	
General fund	1,861,224
Special funds	125,000
Interdepartmental transfers	911,551
Total	2,897,775

Sec. B.100.1 Secretary of administration - office of racial equity

Personal services	1,568,041
Operating expenses	95,802
Total	1,663,843
Source of funds	
General fund	1,113,347
Internal service funds	550,496
Total	1,663,843

Sec. B.101 Secretary of administration - finance

Personal services	1,557,057
Operating expenses	185,178
Total	1,742,235
Source of funds	
Interdepartmental transfers	1,742,235
Total	1,742,235

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

Personal services	896,646
Operating expenses	104,349
Total	1,000,995
Source of funds	
Internal service funds	1,000,995

Total	1,000,995

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

Personal services	417,351
Operating expenses	68,210
Total	485,561
Source of funds	
Internal service funds	485,561
Total	485,561

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

Personal services	301,453
Operating expenses	57,383
Total	358,836
Source of funds	
Internal service funds	358,836
Total	358,836

Sec. B.104.1 Retired state employees pension plus funding

Grants	15,000,000
Total	15,000,000
Source of funds	
General fund	15,000,000
Total	15,000,000

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

Personal services	33,055,594
Operating expenses	16,188,998
Total	49,244,592
Source of funds	
General fund	9,317,892
Special funds	1,031,998
Internal service funds	38,894,702
Total	49,244,592

Sec. B.105.1 Agency of digital services - demand driven services

Personal services	32,005,770
Operating expenses	15,300,212
Total	47,305,982
Source of funds	
Internal service funds	47,305,982
Total	47,305,982

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

Personal services	1,726,678
Operating expenses	376,867
Total	2,103,545
Source of funds	
General fund	1,320,303
Internal service funds	517,237
Interdepartmental transfers	266,005
Total	2,103,545

Sec. B.107 Finance and management - financial operations

Personal services	3,263,811
Operating expenses	835,537
Total	4,099,348
Source of funds	
Internal service funds	3,880,186
Interdepartmental transfers	219,162
Total	4,099,348

Sec. B.108 Human resources - operations

Personal services	12,618,652
Operating expenses	1,683,153
Total	14,301,805
Source of funds	
General fund	2,009,464
Special funds	180,668
Internal service funds	11,149,163
Interdepartmental transfers	962,510
Total	14,301,805

Sec. B.108.1 Human resources - VTHR operations

Personal services	2,495,563
Operating expenses	989,816
Total	3,485,379
Source of funds	
Internal service funds	3,335,155
Interdepartmental transfers	150,224
Total	3,485,379

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

Personal services	1,470,728
Operating expenses	765,201

Total	2,235,929
Source of funds	
Internal service funds	2,235,929
Total	2,235,929

Sec. B.110 Libraries

Personal services	3,142,573
Operating expenses	548,504
Grants	238,660
Total	3,929,737
Source of funds	
General fund	2,470,909
Special funds	87,178
Federal funds	1,241,835
Interdepartmental transfers	129,815
Total	3,929,737

Sec. B.111 Tax - administration/collection

Personal services	30,878,080
Operating expenses	7,323,104
Total	38,201,184
Source of funds	
General fund	25,818,400
Special funds	12,332,784
Interdepartmental transfers	50,000
Total	38,201,184

Sec. B.112 Buildings and general services - administration

Personal services	1,090,871
Operating expenses	228,872
Total	1,319,743
Source of funds	
Interdepartmental transfers	1,319,743
Total	1,319,743

Sec. B.113 Buildings and general services - engineering

Personal services	102,231
Operating expenses	1,114,195
Total	1,216,426
Source of funds	
General fund	1,216,426
Total	1,216,426

Sec. B.113.1 Buildings and general services engineering - capital projects

Personal services	3,489,916
Operating expenses	500,000
Total	3,989,916
Source of funds	
General fund	3,351,480
Interdepartmental transfers	638,436
Total	3,989,916

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

Personal services	3,684,847
Operating expenses	2,228,705
Total	5,913,552
Source of funds	
General fund	723,210
Transportation fund	4,710,621
Special funds	479,721
Total	5,913,552

Sec. B.115 Buildings and general services - purchasing

Personal services	3,189,478
Operating expenses	266,883
Total	3,456,361
Source of funds	
General fund	1,727,877
Internal service funds	1,386,959
Interdepartmental transfers	341,525
Total	3,456,361

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

Personal services	892,320
Operating expenses	173,126
Total	1,065,446
Source of funds	
General fund	96,479
Internal service funds	968,967
Total	1,065,446

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

Personal services	992,680
Operating expenses	217,022
Total	1,209,702

Source of funds	
Internal service funds	1,209,702
Total	1,209,702

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

Personal services	1,086,176
Operating expenses	251,051
Total	1,337,227
Source of funds	
Internal service funds	1,238,057
Interdepartmental transfers	99,170
Total	1,337,227

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

Operating expenses	4,427
Total	4,427
Source of funds	
Enterprise funds	4,427
Total	4,427

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

Personal services	389,970
Operating expenses	167,097
Total	557,067
Source of funds	
Internal service funds	557,067
Total	557,067

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

Personal services	1,250,068
Operating expenses	722,602
Total	1,972,670
Source of funds	
Internal service funds	1,830,898
Interdepartmental transfers	141,772
Total	1,972,670

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

Personal services	23,787,396
Operating expenses	17,757,907
Total	41,545,303
Source of funds	
Internal service funds	41,545,303

Total	41,545,303
Sec. B.124 Executive office - governor's office	
Personal services	2,087,428
Operating expenses	571,877
Total	2,659,305
Source of funds	
General fund	2,086,338
Interdepartmental transfers	572,967
Total	2,659,305
Sec. B.125 Legislative counsel	
Personal services	5,562,384
Operating expenses	305,246
Total	5,867,630
Source of funds	
General fund	5,867,630
Total	5,867,630
Sec. B.126 Legislature	
Personal services	6,319,895
Operating expenses	5,653,460
Total	11,973,355
Source of funds	
General fund	11,973,355
Total	11,973,355
Sec. B.126.1 Legislative information technology	
Personal services	1,589,468
Operating expenses	940,400
Total	2,529,868
Source of funds	
General fund	2,529,868
Total	2,529,868
Sec. B.127 Joint fiscal committee	
Personal services	3,218,498
Operating expenses	203,144
Total	3,421,642
Source of funds	
General fund	3,421,642
Total	3,421,642

Sec. B.128 Sergeant at arms

Personal services	1,738,030
Operating expenses	215,269
Total	1,953,299
Source of funds	
General fund	1,953,299
Total	1,953,299

Sec. B.129 Lieutenant governor

Personal services	256,396
Operating expenses	65,515
Total	321,911
Source of funds	
General fund	321,911
Total	321,911

Sec. B.130 Auditor of accounts

Personal services	4,914,039
Operating expenses	159,245
Total	5,073,284
Source of funds	
General fund	289,054
Special funds	53,145
Internal service funds	4,731,085
Total	5,073,284

Sec. B.131 State treasurer

Personal services	7,459,970
Operating expenses	378,493
Total	7,838,463
Source of funds	
General fund	2,744,590
Special funds	4,713,210
Interdepartmental transfers	380,663
Total	7,838,463

Sec. B.132 State treasurer - unclaimed property

Personal services	980,240
Operating expenses	669,064
Total	1,649,304
Source of funds	
Private purpose trust funds	1,649,304

Total	1,649,304
Sec. B.133 Vermont state retirement system	
Personal services	287,163
Operating expenses	3,480,963
Total	3,768,126
Source of funds	
Pension trust funds	3,768,126
Total	3,768,126
Sec. B.134 Municipal employees' retirement system	
Personal services	234,016
Operating expenses	1,973,853
Total	2,207,869
Source of funds	
Pension trust funds	2,207,869
Total	2,207,869
Sec. B.134.1 Vermont pension investment commission	
Personal services	2,696,175
Operating expenses	286,820
Total	2,982,995
Source of funds	
Special funds	2,982,995
Total	2,982,995
Sec. B.135 State labor relations board	
Personal services	435,622
Operating expenses	85,406
Total	521,028
Source of funds	
General fund	507,202
Special funds	11,038
Interdepartmental transfers	2,788
Total	521,028
Sec. B.136 VOSHA review board	
Personal services	114,314
Operating expenses	27,965
Total	142,279
Source of funds	
General fund	91,275
Interdepartmental transfers	51,004

Total	142,279

Sec. B.136.1 Ethics commission

Personal services	364,306
Operating expenses	36,234
Total	400,540
Source of funds	
General fund	150,000
Internal service funds	250,540
Total	400,540

Sec. B.137 Homeowner rebate

Grants	17,500,000
Total	17,500,000
Source of funds	
General fund	17,500,000
Total	17,500,000

Sec. B.138 Renter rebate

Grants	15,500,000
Total	15,500,000
Source of funds	
General fund	15,500,000
Total	15,500,000

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

Grants	3,410,000
Total	3,410,000
Source of funds	
Special funds	3,410,000
Total	3,410,000

Sec. B.140 Municipal current use

Grants	21,650,000
Total	21,650,000
Source of funds	
General fund	21,650,000
Total	21,650,000

Sec. B.142 Payments in lieu of taxes

Grants	12,200,000
Total	12,200,000

Source of funds	
Special funds	12,200,000
Total	12,200,000

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

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

Sec. B.145 Total general government

Source of funds	
General fund	152,613,175
Transportation fund	4,710,621
Special funds	37,647,737
Federal funds	1,241,835
Internal service funds	163,432,820
Interdepartmental transfers	7,979,570
Enterprise funds	4,427
Pension trust funds	5,975,995
Private purpose trust funds	1,649,304
Total	375,255,484

Sec. B.200 Attorney general

Personal services	17,117,330
Operating expenses	2,045,972
Grants	20,000
Total	19,183,302
Source of funds	
General fund	8,947,036
Special funds	2,976,044
Tobacco fund	434,660
Federal funds	1,956,258
Interdepartmental transfers	4,869,304
Total	19,183,302

Sec. B.201 Vermont court diversion

Personal services	1,250
Grants	5,012,871
Total	5,014,121

Source of funds	
General fund	4,756,124
Special funds	257,997
Total	5,014,121

Sec. B.202 Defender general - public defense

Personal services	20,439,822
Operating expenses	1,855,610
Total	22,295,432
Source of funds	
General fund	21,705,779
Special funds	589,653
Total	22,295,432

Sec. B.203 Defender general - assigned counsel

Personal services	8,277,975
Operating expenses	64,500
Total	8,342,475
Source of funds	
General fund	8,342,475
Total	8,342,475

Sec. B.204 Judiciary

Personal services	67,540,550
Operating expenses	14,904,686
Grants	121,030
Total	82,566,266
Source of funds	
General fund	76,767,361
Special funds	1,970,905
Federal funds	1,580,000
Interdepartmental transfers	2,248,000
Total	82,566,266

Sec. B.205 State’s attorneys

Personal services	19,675,456
Operating expenses	2,818,379
Total	22,493,835
Source of funds	
General fund	21,865,234
Federal funds	31,000
Interdepartmental transfers	597,601
Total	22,493,835

Sec. B.206 Special investigative unit

Personal services	151,063
Operating expenses	34,335
Grants	2,174,400
Total	2,359,798
Source of funds	
General fund	2,359,798
Total	2,359,798

Sec. B.206.1 Crime victims advocates

Personal services	3,733,421
Operating expenses	104,756
Total	3,838,177
Source of funds	
General fund	3,838,177
Total	3,838,177

Sec. B.207 Sheriffs

Personal services	6,738,595
Operating expenses	475,338
Total	7,213,933
Source of funds	
General fund	7,213,933
Total	7,213,933

Sec. B.208 Public safety - administration

Personal services	6,697,580
Operating expenses	6,307,218
Grants	278,285
Total	13,283,083
Source of funds	
General fund	7,978,921
Special funds	162,545
Federal funds	1,108,908
Interdepartmental transfers	4,032,709
Total	13,283,083

Sec. B.209 Public safety - state police

Personal services	85,401,432
Operating expenses	21,768,293
Grants	5,105,175
Total	112,274,900

Source of funds	
General fund	92,333,444
Special funds	3,272,346
Federal funds	15,200,575
Interdepartmental transfers	1,468,535
Total	112,274,900

Sec. B.210 Public safety - criminal justice services

Personal services	5,274,841
Operating expenses	2,267,161
Grants	47,775
Total	7,589,777
Source of funds	
General fund	3,140,979
Special funds	3,502,099
Federal funds	946,699
Total	7,589,777

Sec. B.211 Public safety - emergency management

Personal services	6,727,689
Operating expenses	1,030,786
Grants	62,267,474
Total	70,025,949
Source of funds	
General fund	1,717,693
Special funds	710,000
Federal funds	67,578,256
Interdepartmental transfers	20,000
Total	70,025,949

Sec. B.212 Public safety - fire safety

Personal services	10,703,913
Operating expenses	4,581,165
Grants	55,000
Total	15,340,078
Source of funds	
General fund	2,339,163
Special funds	11,259,010
Federal funds	1,696,905
Interdepartmental transfers	45,000
Total	15,340,078

Sec. B.213 Public safety - forensic laboratory

Personal services	4,643,753
Operating expenses	1,465,076
Total	6,108,829
Source of funds	
General fund	4,435,869
Special funds	70,131
Federal funds	1,087,429
Interdepartmental transfers	515,400
Total	6,108,829

Sec. B.215 Military - administration

Personal services	1,179,336
Operating expenses	916,266
Grants	1,219,834
Total	3,315,436
Source of funds	
General fund	3,315,436
Total	3,315,436

Sec. B.216 Military - air service contract

Personal services	12,390,019
Operating expenses	1,476,497
Total	13,866,516
Source of funds	
General fund	846,658
Federal funds	13,019,858
Total	13,866,516

Sec. B.217 Military - army service contract

Personal services	45,572,956
Operating expenses	8,116,785
Total	53,689,741
Source of funds	
Federal funds	53,689,741
Total	53,689,741

Sec. B.218 Military - building maintenance

Personal services	1,215,984
Operating expenses	773,080
Total	1,989,064

Source of funds	
General fund	1,926,564
Special funds	62,500
Total	1,989,064

Sec. B.219 Military - veterans' affairs

Personal services	1,462,774
Operating expenses	189,912
Grants	37,500
Total	1,690,186
Source of funds	
General fund	1,511,104
Special funds	52,149
Federal funds	126,933
Total	1,690,186

Sec. B.220 Center for crime victim services

Personal services	2,391,977
Operating expenses	349,027
Grants	8,450,425
Total	11,191,429
Source of funds	
General fund	1,662,398
Special funds	3,765,489
Federal funds	5,763,542
Total	11,191,429

Sec. B.221 Criminal justice council

Personal services	2,691,167
Operating expenses	1,987,866
Total	4,679,033
Source of funds	
General fund	4,331,708
Interdepartmental transfers	347,325
Total	4,679,033

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

Personal services	3,612,905
Operating expenses	462,506
Total	4,075,411
Source of funds	
General fund	1,650,272
Special funds	1,919,780

Federal funds	497,859
Interdepartmental transfers	7,500
Total	4,075,411

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

Personal services	6,110,557
Operating expenses	1,310,703
Grants	2,780,000
Total	10,201,260
Source of funds	
General fund	4,235,750
Special funds	3,830,620
Federal funds	2,122,890
Interdepartmental transfers	12,000
Total	10,201,260

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

Personal services	3,031,439
Operating expenses	720,667
Grants	16,318,200
Total	20,070,306
Source of funds	
General fund	3,232,484
Special funds	683,149
Federal funds	16,103,955
Interdepartmental transfers	50,718
Total	20,070,306

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

Personal services	3,112,283
Operating expenses	916,568
Grants	555,000
Total	4,583,851
Source of funds	
General fund	808,770
Special funds	2,977,583
Federal funds	411,751
Interdepartmental transfers	385,747
Total	4,583,851

Sec. B.225.1 Agriculture, food and markets - Vermont agriculture and environmental lab

Personal services	2,118,554
Operating expenses	1,425,694
Total	3,544,248
Source of funds	
General fund	1,657,622
Special funds	1,799,983
Interdepartmental transfers	86,643
Total	3,544,248

Sec. B.225.2 Agriculture, food and markets - clean water

Personal services	4,302,930
Operating expenses	596,899
Grants	13,704,381
Total	18,604,210
Source of funds	
General fund	2,040,981
Special funds	13,143,719
Federal funds	899,994
Interdepartmental transfers	2,519,516
Total	18,604,210

Sec. B.226 Financial regulation - administration

Personal services	3,191,764
Operating expenses	119,849
Grants	100,000
Total	3,411,613
Source of funds	
Special funds	3,411,613
Total	3,411,613

Sec. B.227 Financial regulation - banking

Personal services	2,626,530
Operating expenses	489,061
Total	3,115,591
Source of funds	
Special funds	3,115,591
Total	3,115,591

Sec. B.228 Financial regulation - insurance

Personal services	6,081,320

Operating expenses	726,826
Total	6,808,146
Source of funds	
Special funds	6,808,146
Total	6,808,146

Sec. B.229 Financial regulation - captive insurance

Personal services	5,852,030
Operating expenses	485,166
Total	6,337,196
Source of funds	
Special funds	6,337,196
Total	6,337,196

Sec. B.230 Financial regulation - securities

Personal services	1,484,957
Operating expenses	236,805
Total	1,721,762
Source of funds	
Special funds	1,721,762
Total	1,721,762

Sec. B.232 Secretary of state

Personal services	22,771,803
Operating expenses	3,553,687
Grants	1,800,000
Total	28,125,490
Source of funds	
General fund	1,800,000
Special funds	21,682,168
Federal funds	4,643,322
Total	28,125,490

Sec. B.233 Public service - regulation and energy

Personal services	13,710,252
Operating expenses	2,748,196
Grants	16,375,000
Total	32,833,448
Source of funds	
Special funds	12,654,322
Federal funds	18,595,869
Interdepartmental transfers	1,568,571
Enterprise funds	14,686

Total	32,833,448
Sec. B.233.1 VT Community broadband board	
Personal services	2,453,429
Operating expenses	816,431
Grants	43,000,000
Total	46,269,860
Source of funds	
Special funds	882,735
Federal funds	45,387,125
Total	46,269,860
Sec. B.234 Public utility commission	
Personal services	4,685,041
Operating expenses	604,301
Total	5,289,342
Source of funds	
Special funds	5,289,342
Total	5,289,342
Sec. B.235 Enhanced 9-1-1 board	
Personal services	4,854,520
Operating expenses	704,797
Total	5,559,317
Source of funds	
Special funds	5,559,317
Total	5,559,317
Sec. B.236 Human rights commission	
Personal services	1,352,987
Operating expenses	178,128
Total	1,531,115
Source of funds	
General fund	1,531,115
Total	1,531,115
Sec. B.236.1 Liquor and lottery commission	
Personal services	11,295,690
Operating expenses	5,914,352
Total	17,210,042
Source of funds	
Special funds	125,000
Tobacco fund	252,863

Interdepartmental transfers	70,000
Enterprise funds	16,762,179
Total	17,210,042

Sec. B.240 Cannabis control board

Personal services	4,669,174
Operating expenses	2,456,952
Grants	15,000
Total	7,141,126
Source of funds	
General fund	4,576,032
Special funds	2,565,094
Total	7,141,126

Sec. B.241 Total protection to persons and property

Source of funds

General fund	302,868,880
Special funds	123,157,988
Tobacco fund	687,523
Federal funds	252,448,869
Interdepartmental transfers	18,844,569
Enterprise funds	16,776,865
Total	714,784,694

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

Personal services	18,803,543
Operating expenses	8,491,902
Grants	3,257,864
Total	30,553,309
Source of funds	
General fund	12,150,921
Special funds	135,517
Federal funds	15,052,120
Global Commitment fund	2,875,929
Interdepartmental transfers	338,822
Total	30,553,309

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

Grants	2,273,186,435
Total	2,273,186,435
Source of funds	
General fund	743,900,289

Special funds	31,874,504
Tobacco fund	21,049,373
State health care resources fund	31,074,772
Federal funds	1,440,101,602
Interdepartmental transfers	5,185,895
Total	2,273,186,435

Sec. B.303 Developmental disabilities council

Personal services	536,809
Operating expenses	91,194
Grants	191,595
Total	819,598
Source of funds	
Federal funds	819,598
Total	819,598

Sec. B.304 Human services board

Personal services	837,298
Operating expenses	103,145
Total	940,443
Source of funds	
General fund	550,413
Federal funds	390,030
Total	940,443

Sec. B.305 AHS - administrative fund

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

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

Personal services	147,234,611
Operating expenses	47,892,588
Grants	3,112,301
Total	198,239,500
Source of funds	
General fund	43,531,984
Special funds	11,408,238
Federal funds	135,473,624
Global Commitment fund	4,814,385

Interdepartmental transfers	3,011,269
Total	198,239,500

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

Grants	1,018,891,468
Total	1,018,891,468
Source of funds	
Global Commitment fund	1,018,891,468
Total	1,018,891,468

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

Grants	87,719,396
Total	87,719,396
Source of funds	
General fund	62,223,167
Special funds	20,025,000
Global Commitment fund	5,471,229
Total	87,719,396

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

Grants	53,713,422
Total	53,713,422
Source of funds	
General fund	13,976,890
Federal funds	39,736,532
Total	53,713,422

Sec. B.311 Health - administration and support

Personal services	9,530,484
Operating expenses	9,699,306
Grants	0
Total	19,229,790
Source of funds	
General fund	3,988,804
Special funds	1,584,462
Tobacco fund	70,101
Federal funds	9,440,311
Global Commitment fund	4,018,122
Interdepartmental transfers	127,990
Total	19,229,790

Sec. B.312 Health - public health

Personal services	74,383,408
Operating expenses	9,332,917
Grants	50,181,945
Total	133,898,270
Source of funds	
General fund	16,942,106
Special funds	28,928,042
Tobacco fund	1,022,514
Federal funds	64,633,236
Global Commitment fund	19,796,403
Interdepartmental transfers	2,550,969
Permanent trust funds	25,000
Total	133,898,270

Sec. B.313 Health - substance use programs

Personal services	6,228,331
Operating expenses	1,597,360
Grants	62,950,881
Total	70,776,572
Source of funds	
General fund	4,597,402
Special funds	11,594,473
Tobacco fund	949,917
Federal funds	16,490,182
Global Commitment fund	37,144,598
Total	70,776,572

Sec. B.314 Mental health - mental health

Personal services	15,045,226
Operating expenses	3,284,381
Grants	284,925,309
Total	303,254,916
Source of funds	
General fund	16,159,945
Special funds	1,006,836
Federal funds	13,679,245
Global Commitment fund	271,143,986
Interdepartmental transfers	1,264,904
Total	303,254,916

Sec. B.315 Department of mental health - mental health facilities

Personal services	42,645,892
Operating expenses	3,453,114
Total	46,099,006
Source of funds	
General fund	23,627,954
Special funds	1,711,833
Global Commitment fund	20,759,219
Total	46,099,006

Sec. B.316 Department for children and families - administration & support services

Personal services	53,504,671
Operating expenses	21,318,873
Grants	5,311,047
Total	80,134,591
Source of funds	
General fund	54,056,305
Special funds	2,695,360
Federal funds	20,162,623
Global Commitment fund	2,593,300
Interdepartmental transfers	627,003
Total	80,134,591

Sec. B.317 Department for children and families - family services

Personal services	53,086,776
Operating expenses	5,608,679
Grants	101,038,145
Total	159,733,600
Source of funds	
General fund	68,388,078
Special funds	729,150
Federal funds	37,280,968
Global Commitment fund	53,320,404
Interdepartmental transfers	15,000
Total	159,733,600

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

Personal services	7,080,069
Operating expenses	1,017,973
Grants	225,731,684
Total	233,829,726

Source of funds	
General fund	71,876,506
Special funds	104,967,803
Federal funds	42,948,970
Global Commitment fund	14,036,447
Total	233,829,726

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

Personal services	14,842,317
Operating expenses	3,753,380
Total	18,595,697
Source of funds	
General fund	5,841,149
Special funds	453,110
Federal funds	11,913,838
Interdepartmental transfers	387,600
Total	18,595,697

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

Personal services	2,611,765
Grants	10,283,881
Total	12,895,646
Source of funds	
General fund	7,452,643
Global Commitment fund	5,443,003
Total	12,895,646

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

Personal services	15,000
Grants	11,190,819
Total	11,205,819
Source of funds	
General fund	11,004,245
Federal funds	11,098
Global Commitment fund	190,476
Total	11,205,819

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

Grants	53,077,812
Total	53,077,812
Source of funds	
Federal funds	53,077,812

Total	53,077,812

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

Operating expenses	23,821
Grants	32,466,947
Total	32,490,768
Source of funds	
General fund	17,904,212
Special funds	6,106,068
Federal funds	4,953,062
Global Commitment fund	3,527,426
Total	32,490,768

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

Grants	20,730,395
Total	20,730,395
Source of funds	
Special funds	1,480,395
Federal funds	19,250,000
Total	20,730,395

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

Personal services	1,872,257
Operating expenses	188,231
Grants	55,272,640
Total	57,333,128
Source of funds	
General fund	48,486,907
Special funds	83,135
Federal funds	5,139,585
Global Commitment fund	3,623,501
Total	57,333,128

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

Personal services	473,291
Operating expenses	277,072
Grants	16,147,885
Total	16,898,248
Source of funds	
Special funds	7,733,295

Federal funds	9,164,953
Total	16,898,248

Sec. B.327 Department for children and families - secure residential treatment

Personal services	258,100
Operating expenses	38,870
Grants	4,476,862
Total	4,773,832
Source of funds	
General fund	4,743,832
Global Commitment fund	30,000
Total	4,773,832

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

Personal services	8,771,035
Operating expenses	632,678
Total	9,403,713
Source of funds	
General fund	141,599
Federal funds	9,262,114
Total	9,403,713

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

Personal services	53,613,657
Operating expenses	7,899,745
Total	61,513,402
Source of funds	
General fund	28,240,734
Special funds	2,601,056
Federal funds	29,054,031
Global Commitment fund	110,000
Interdepartmental transfers	1,507,581
Total	61,513,402

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

Grants	27,332,274
Total	27,332,274
Source of funds	
General fund	8,769,909
Federal funds	10,541,896

Global Commitment fund	8,020,469
Total	27,332,274

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

Grants	3,557,604
Total	3,557,604
Source of funds	
General fund	639,154
Special funds	223,450
Federal funds	2,390,000
Global Commitment fund	305,000
Total	3,557,604

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

Grants	10,145,384
Total	10,145,384
Source of funds	
General fund	371,845
Federal funds	9,616,000
Interdepartmental transfers	157,539
Total	10,145,384

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

Grants	361,412,468
Total	361,412,468
Source of funds	
General fund	132,732
Special funds	15,463
Federal funds	200,000
Global Commitment fund	360,997,607
Interdepartmental transfers	66,666
Total	361,412,468

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

Grants	7,617,804
Total	7,617,804
Source of funds	
Global Commitment fund	7,617,804
Total	7,617,804

Sec. B.334.1 Disabilities, aging and independent living - long term care

Grants	363,402,885
Total	363,402,885
Source of funds	
General fund	498,579
Federal funds	2,450,000
Global Commitment fund	360,454,306
Total	363,402,885

Sec. B.335 Corrections - administration

Personal services	6,294,173
Operating expenses	269,950
Total	6,564,123
Source of funds	
General fund	6,564,123
Total	6,564,123

Sec. B.336 Corrections - parole board

Personal services	546,911
Operating expenses	60,112
Total	607,023
Source of funds	
General fund	607,023
Total	607,023

Sec. B.337 Corrections - correctional education

Personal services	4,229,246
Operating expenses	255,064
Total	4,484,310
Source of funds	
General fund	4,335,526
Interdepartmental transfers	148,784
Total	4,484,310

Sec. B.338 Corrections - correctional services

Personal services	185,053,487
Operating expenses	28,640,294
Grants	801,823
Total	214,495,604
Source of funds	
General fund	205,731,635
Special funds	935,963

Federal funds	581,790
Global Commitment fund	6,849,901
Interdepartmental transfers	396,315
Total	214,495,604

Sec. B.338.1 Corrections - justice reinvestment II

Grants	11,189,702
Total	11,189,702
Source of funds	
General fund	8,625,161
Global Commitment fund	2,564,541
Total	11,189,702

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

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

Sec. B.340 Corrections - correctional facilities - recreation

Personal services	694,135
Operating expenses	457,555
Total	1,151,690
Source of funds	
Special funds	1,151,690
Total	1,151,690

Sec. B.341 Corrections - Vermont offender work program

Personal services	515,893
Operating expenses	160,570
Total	676,463
Source of funds	
Internal service funds	676,463
Total	676,463

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

Personal services	24,295,479
Operating expenses	7,265,907
Total	31,561,386
Source of funds	
General fund	10,370,653
Special funds	12,153,730

Federal funds	9,037,003
Total	31,561,386

Sec. B.343 Commission on women

Personal services	446,911
Operating expenses	93,377
Total	540,288
Source of funds	
General fund	536,228
Special funds	4,060
Total	540,288

Sec. B.344 Retired senior volunteer program

Grants	169,909
Total	169,909
Source of funds	
General fund	169,909
Total	169,909

Sec. B.345 Green mountain care board

Personal services	10,791,488
Operating expenses	585,144
Total	11,376,632
Source of funds	
General fund	4,403,223
Special funds	6,973,409
Total	11,376,632

Sec. B.346 Office of the child, youth, and family advocate

Personal services	407,107
Operating expenses	85,059
Total	492,166
Source of funds	
General fund	492,166
Total	492,166

Sec. B.347 Total human services

Source of funds	
General fund	1,516,164,329
Special funds	256,576,042
Tobacco fund	23,091,905
State health care resources fund	31,074,772
Federal funds	2,012,852,223

Global Commitment fund	2,214,599,524
Internal service funds	676,463
Interdepartmental transfers	29,286,337
Permanent trust funds	25,000
Total	6,084,346,595

Sec. B.400 Labor - programs

Personal services	37,245,562
Operating expenses	5,944,271
Grants	1,632,900
Total	44,822,733
Source of funds	
General fund	11,854,490
Special funds	10,685,153
Federal funds	22,188,227
Interdepartmental transfers	94,863
Total	44,822,733

Sec. B.401 Total labor

Source of funds	
General fund	11,854,490
Special funds	10,685,153
Federal funds	22,188,227
Interdepartmental transfers	94,863
Total	44,822,733

Sec. B.500 Education - education services

Personal services	34,311,091
Operating expenses	6,389,982
Grants	188,531,318
Total	229,232,391
Source of funds	
General fund	20,194,009
Special funds	2,111,117
Tobacco fund	750,388
Education fund	3,937,725
Federal funds	200,665,386
Global Commitment fund	260,000
Interdepartmental transfers	1,313,766
Total	229,232,391

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

Personal services	1,083,000
Grants	275,642,100
Total	276,725,100
Source of funds	
Education fund	276,725,100
Total	276,725,100

Sec. B.503 Education - state-placed students

Grants	18,286,500
Total	18,286,500
Source of funds	
Education fund	18,286,500
Total	18,286,500

Sec. B.504 Education - adult education and literacy

Grants	5,290,338
Total	5,290,338
Source of funds	
General fund	4,349,673
Federal funds	940,665
Total	5,290,338

Sec. B.504.1 Education - Flexible Pathways

Grants	11,742,782
Total	11,742,782
Source of funds	
General fund	921,500
Education fund	10,821,282
Total	11,742,782

Sec. B.505 Education - adjusted education payment

Grants	2,067,557,580
Total	2,067,557,580
Source of funds	
Education fund	2,067,557,580
Total	2,067,557,580

Sec. B.506 Education - transportation

Grants	26,925,382
Total	26,925,382

Source of funds	
Education fund	26,925,382
Total	26,925,382

Sec. B.507 Education - merger support grants

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

Sec. B.507.1 Education - EL categorical aid

Grants	2,500,000
Total	2,500,000
Source of funds	
Education fund	2,500,000
Total	2,500,000

Sec. B.508 Education - nutrition

Grants	18,300,000
Total	18,300,000
Source of funds	
Education fund	18,300,000
Total	18,300,000

Sec. B.509 Education - afterschool grant program

Personal services	484,293
Operating expenses	20,707
Grants	9,595,000
Total	10,100,000
Source of funds	
Special funds	10,100,000
Total	10,100,000

Sec. B.510 Education - essential early education grant

Grants	9,552,240
Total	9,552,240
Source of funds	
Education fund	9,552,240
Total	9,552,240

Sec. B.511 Education - technical education

Grants	19,636,750

Total	19,636,750
Source of funds	
Education fund	19,636,750
Total	19,636,750

Sec. B.511.1 State board of education

Personal services	184,208
Operating expenses	16,500
Total	200,708
Source of funds	
General fund	200,708
Total	200,708

Sec. B.513 Retired teachers pension plus funding

Grants	15,000,000
Total	15,000,000
Source of funds	
General fund	15,000,000
Total	15,000,000

Sec. B.514 State teachers' retirement system

Grants	212,905,084
Total	212,905,084
Source of funds	
General fund	170,750,066
Education fund	42,155,018
Total	212,905,084

Sec. B.514.1 State teachers' retirement system administration

Personal services	428,408
Operating expenses	3,750,161
Total	4,178,569
Source of funds	
Pension trust funds	4,178,569
Total	4,178,569

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

Grants	90,834,595
Total	90,834,595
Source of funds	
General fund	62,640,904
Education fund	28,193,691
Total	90,834,595

Sec. B.516 Total general education

Source of funds	
General fund	274,056,860
Special funds	12,211,117
Tobacco fund	750,388
Education fund	2,526,391,268
Federal funds	201,606,051
Global Commitment fund	260,000
Interdepartmental transfers	1,313,766
Pension trust funds	4,178,569
Total	3,020,768,019

Sec. B.600 University of Vermont

Grants	59,099,447
Total	59,099,447
Source of funds	
General fund	59,099,447
Total	59,099,447

Sec. B.602 Vermont state colleges

Grants	54,042,753
Total	54,042,753
Source of funds	
General fund	54,042,753
Total	54,042,753

Sec. B.603 Vermont state colleges - allied health

Grants	1,806,000
Total	1,806,000
Source of funds	
General fund	306,000
Global Commitment fund	1,500,000
Total	1,806,000

Sec. B.605 Vermont student assistance corporation

Grants	27,897,494
Total	27,897,494
Source of funds	
General fund	27,897,494
Total	27,897,494

Sec. B.605.1 VSAC - flexible pathways stipend

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

Sec. B.606 New England higher education compact

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

Sec. B.607 Total higher education

Source of funds	
General fund	141,473,439
Education fund	41,225
Global Commitment fund	1,500,000
Total	143,014,664

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

Personal services	6,881,451
Operating expenses	1,291,376
Grants	5,000
Total	8,177,827
Source of funds	
General fund	5,628,757
Special funds	687,843
Interdepartmental transfers	1,861,227
Total	8,177,827

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

Operating expenses	2,711,643
Total	2,711,643
Source of funds	
General fund	2,290,143
Interdepartmental transfers	421,500
Total	2,711,643

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

Personal services	25,124,512
Operating expenses	7,287,815
Grants	824,803
Total	33,237,130
Source of funds	
General fund	10,313,811
Special funds	379,405
Fish and wildlife fund	10,864,047
Federal funds	10,133,967
Interdepartmental transfers	1,545,900
Total	33,237,130

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

Personal services	1,644,130
Operating expenses	1,807,698
Total	3,451,828
Source of funds	
General fund	3,207,811
Special funds	138,261
Federal funds	105,756
Total	3,451,828

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

Personal services	10,669,963
Operating expenses	1,397,258
Grants	2,517,648
Total	14,584,869
Source of funds	
General fund	7,196,482
Special funds	1,553,980
Federal funds	5,657,787
Interdepartmental transfers	176,620
Total	14,584,869

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

Personal services	14,447,858
Operating expenses	4,775,590
Grants	598,307
Total	19,821,755
Source of funds	
General fund	1,774,736

Special funds	18,047,019
Total	19,821,755

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

Personal services	8,459,029
Operating expenses	4,627,930
Grants	2,469,865
Total	15,556,824
Source of funds	
General fund	1,403,261
Special funds	2,430,801
Federal funds	11,180,116
Interdepartmental transfers	542,646
Total	15,556,824

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

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

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

Personal services	10,017,955
Operating expenses	5,850,830
Grants	191,597
Total	16,060,382
Source of funds	
General fund	2,207,896
Special funds	1,593,728
Federal funds	2,948,598
Interdepartmental transfers	9,310,160
Total	16,060,382

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

Personal services	15,391,418
Operating expenses	5,574,446
Grants	7,623,000
Total	28,588,864
Source of funds	
General fund	1,476,577
Special funds	20,742,337

Federal funds	6,202,095
Interdepartmental transfers	167,855
Total	28,588,864

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

Personal services	43,817,953
Operating expenses	9,017,743
Grants	104,714,537
Total	157,550,233
Source of funds	
General fund	13,321,778
Special funds	34,702,513
Federal funds	108,412,378
Interdepartmental transfers	1,113,564
Total	157,550,233

Sec. B.713 Land use review board

Personal services	5,298,333
Operating expenses	598,682
Total	5,897,015
Source of funds	
General fund	4,364,343
Special funds	1,532,672
Total	5,897,015

Sec. B.714 Total natural resources

Source of funds	
General fund	53,415,520
Special funds	81,808,559
Fish and wildlife fund	10,864,047
Federal funds	144,640,697
Interdepartmental transfers	15,139,472
Total	305,868,295

Sec. B.800 Commerce and community development - agency of commerce and community development - administration

Personal services	2,617,789
Operating expenses	921,911
Grants	424,320
Total	3,964,020
Source of funds	
General fund	3,964,020

Total	3,964,020
Sec. B.801 Economic development	
Personal services	3,221,256
Operating expenses	1,306,125
Grants	6,506,544
Total	11,033,925
Source of funds	
General fund	6,105,922
Special funds	3,314,565
Federal funds	1,613,438
Total	11,033,925
Sec. B.802 Housing and community development	
Personal services	6,568,853
Operating expenses	2,253,786
Grants	45,303,523
Total	54,126,162
Source of funds	
General fund	12,002,421
Transportation fund	1,000,000
Special funds	10,679,645
Federal funds	30,444,096
Total	54,126,162
Sec. B.806 Tourism and marketing	
Personal services	2,284,798
Operating expenses	1,785,851
Grants	1,020,000
Total	5,090,649
Source of funds	
General fund	5,090,649
Total	5,090,649
Sec. B.808 Vermont council on the arts	
Grants	1,071,800
Total	1,071,800
Source of funds	
General fund	1,071,800
Total	1,071,800
Sec. B.809 Vermont symphony orchestra	
Grants	158,795

Total	158,795
Source of funds	
General fund	158,795
Total	158,795

Sec. B.810 Vermont historical society

Grants	1,245,583
Total	1,245,583
Source of funds	
General fund	1,245,583
Total	1,245,583

Sec. B.811 Vermont housing and conservation board

Grants	100,358,842
Total	100,358,842
Source of funds	
General fund	1,680,529
Special funds	39,341,857
Federal funds	59,336,456
Total	100,358,842

Sec. B.812 Vermont humanities council

Grants	327,818
Total	327,818
Source of funds	
General fund	327,818
Total	327,818

Sec. B.813 Total commerce and community development

Source of funds	
General fund	31,647,537
Transportation fund	1,000,000
Special funds	53,336,067
Federal funds	91,393,990
Total	177,377,594

Sec. B.900 Transportation - finance and administration

Personal services	19,147,814
Operating expenses	6,291,478
Grants	50,000
Total	25,489,292

Source of funds	
Transportation fund	24,169,252
Federal funds	1,320,040
Total	25,489,292

Sec. B.901 Transportation - aviation

Personal services	5,289,467
Operating expenses	7,691,413
Total	12,980,880
Source of funds	
Transportation fund	6,710,146
Federal funds	6,270,734
Total	12,980,880

Sec. B.902 Transportation - buildings

Operating expenses	1,700,000
Total	1,700,000
Source of funds	
Transportation fund	1,700,000
Total	1,700,000

Sec. B.903 Transportation - program development

Personal services	109,305,403
Operating expenses	304,422,913
Grants	51,321,428
Total	465,049,744
Source of funds	
Transportation fund	66,875,701
TIB fund	14,575,436
Special funds	280,000
Federal funds	363,035,876
Interdepartmental transfers	10,331,303
Local match	9,951,428
Total	465,049,744

Sec. B.904 Transportation - rest areas construction

Personal services	180,000
Operating expenses	270,000
Total	450,000
Source of funds	
Transportation fund	45,000
Federal funds	405,000
Total	450,000

Sec. B.905 Transportation - maintenance state system

Personal services	52,774,612
Operating expenses	59,752,063
Total	112,526,675
Source of funds	
Transportation fund	109,994,661
Federal funds	2,432,014
Interdepartmental transfers	100,000
Total	112,526,675

Sec. B.906 Transportation - policy and planning

Personal services	3,368,645
Operating expenses	299,526
Grants	10,254,679
Total	13,922,850
Source of funds	
Transportation fund	2,378,766
Federal funds	11,444,134
Interdepartmental transfers	99,950
Total	13,922,850

Sec. B.906.1 Transportation - environmental policy and sustainability

Personal services	14,855,456
Operating expenses	89,082
Total	14,944,538
Source of funds	
Transportation fund	371,589
Federal funds	11,025,693
Interdepartmental transfers	1,141,695
Local match	2,405,561
Total	14,944,538

Sec. B.907 Transportation - rail

Personal services	8,671,804
Operating expenses	51,567,606
Grants	50,000
Total	60,289,410
Source of funds	
Transportation fund	12,548,774
TIB fund	1,000,000
Federal funds	34,688,907
Interdepartmental transfers	6,854,052

Local match	5,197,677
Total	60,289,410
Sec. B.907.1 Transportation - Rail Trails Program	
Personal services	3,577,763
Operating expenses	57,266
Total	3,635,029
Source of funds	
Transportation fund	478,272
Federal funds	1,769,326
Interdepartmental transfers	1,387,431
Total	3,635,029
Sec. B.908 Transportation - public transit	
Personal services	136,840
Operating expenses	71,582
Grants	57,646,725
Total	57,855,147
Source of funds	
Transportation fund	9,947,447
Federal funds	46,607,700
Interdepartmental transfers	1,300,000
Total	57,855,147
Sec. B.909 Transportation - central garage	
Personal services	6,345,376
Operating expenses	19,725,126
Total	26,070,502
Source of funds	
Internal service funds	26,070,502
Total	26,070,502
Sec. B.910 Department of motor vehicles	
Personal services	39,906,668
Operating expenses	11,738,708
Total	51,645,376
Source of funds	
Transportation fund	46,545,599
Federal funds	4,978,081
Interdepartmental transfers	121,696
Total	51,645,376

Sec. B.911 Transportation - town highway structures

Grants	7,394,400
Total	7,394,400
Source of funds	
Transportation fund	7,394,400
Total	7,394,400

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

Personal services	439,752
Operating expenses	28,700
Grants	13,000
Total	481,452
Source of funds	
Transportation fund	121,452
Federal funds	360,000
Total	481,452

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

Grants	8,832,200
Total	8,832,200
Source of funds	
Transportation fund	8,832,200
Total	8,832,200

Sec. B.914 Transportation - town highway bridges

Personal services	9,168,000
Operating expenses	19,830,382
Grants	1,280,000
Total	30,278,382
Source of funds	
TIB fund	2,774,564
Federal funds	25,604,186
Interdepartmental transfers	255,672
Local match	1,643,960
Total	30,278,382

Sec. B.915 Transportation - town highway aid program

Grants	31,240,042
Total	31,240,042
Source of funds	
Transportation fund	31,240,042
Total	31,240,042

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

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

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

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

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

Personal services	500,000
Operating expenses	50,000
Grants	3,450,000
Total	4,000,000
Source of funds	
Federal funds	4,000,000
Total	4,000,000

Sec. B.919 Transportation - municipal mitigation assistance program

Personal services	137,500
Operating expenses	310,500
Grants	5,695,000
Total	6,143,000
Source of funds	
Transportation fund	715,000
Special funds	4,000,000
Federal funds	1,428,000
Total	6,143,000

Sec. B.921 Transportation board

Personal services	176,096
Operating expenses	19,208
Total	195,304
Source of funds	
Transportation fund	195,304
Total	195,304

Sec. B.922 Total transportation

Source of funds	
Transportation fund	331,542,355
TIB fund	18,350,000
Special funds	4,280,000
Federal funds	515,369,691
Internal service funds	26,070,502
Interdepartmental transfers	21,591,799
Local match	19,198,626
Total	936,402,973

Sec. B.1000 Debt service

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

Sec. B.1001 Total debt service

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

* * * Fiscal Year 2027 One-Time Appropriations * * *

Sec. B.1100 MISCELLANEOUS FISCAL YEAR 2027 ONE-TIME APPROPRIATIONS

(a) Agency of Administration Secretary's office. In fiscal year 2027, funds are appropriated for the following:

(1) $110,000 General Fund for the Office of Racial Equity to continue for an additional year the Inclusion, Diversity, Equity, Action, Leadership Vermont program.

(2) $900,000 General Fund to complete the work of the Truth and Reconciliation Commission.

(b) Department of Vermont Health Access. In fiscal year 2027, funds are appropriated for the following:

(1) $300,000 General Fund and $2,700,000 federal funds for information technology updates resulting from the 2025 federal H.R.1 Medicaid changes.

(2) $1,210,000 General Fund for Provider Stabilization Grants.

(3) $3,708,562 Global Commitment for enhanced rates to primary care providers pursuant to Sec. E.306.3 of this act.

(c) Department for Children and Families. In fiscal year 2027, funds are appropriated for the following:

(1) $21,183,809 General Fund for the provision of services, implementation of the Vermont Homelessness Response Continuum, shelter development and operation, emergency housing in hotels and motels, grants to municipalities, emergency cold weather shelters, and supportive services, including case management, staffing, grants, and contracts to be allocated as follows:

(A) $14,118,880 for emergency housing in hotels and motels;

(B) $2,064,929 for staffing, grants, and contracts;

(C) $3,000,000 for shelter development;

(D) $500,000 for grants to municipalities pursuant to 33 V.S.A. § 2209(a); and

(E) $1,500,000 for emergency cold-weather shelters.

(2) $164,500 General Fund and $29,873 Global Commitment for a grant to Prevent Child Abuse Vermont for nurturing parenting programs.

(3) $180,000 General Fund for a grant to the Vermont Parent Child Center Network for concrete supports programs.

(4) $200,000 General Fund for a grant to End Homelessness Vermont to continue providing statewide housing navigation, case management, service coordination, technical assistance, appeals, and permanent housing support for individuals living with complex needs and disabilities who are experiencing homelessness or housing insecurity.

(5) $130,000 General Fund for distribution to supervised visitation programs pursuant to Sec. E.317 of this act.

(6) $4,000,000 General Fund for a temporary secure treatment facility for youth.

(7) $550,000 General Fund for direct aid to the Vermont Foodbank's network partners through an equitable statewide distribution of food or subgrants, or both.

(8) $293,866 Global Commitment for post permanency adoption services.

(d) Agency of Human Services Secretary's office. In fiscal year 2027, funds are appropriated for the following:

(1) $200,000 General Fund for a grant to Vermont Legal Aid for an immigration attorney.

(2) $500,000 General Fund and $692,464 federal funds for the Global Commitment appropriation in subdivision (k)(2) of this section to support Meals on Wheels programs.

(3) $12,526 General Fund and $17,347 federal funds for the Global Commitment appropriation in subdivision (c)(2) of this section for a grant to Prevent Child Abuse Vermont for nurturing parenting programs.

(4) $1,555,000 General Fund and $2,153,562 federal funds for the Global Commitment appropriation in subdivision (b)(3) of this section for enhanced rates to primary care providers pursuant to Sec. E.306.3 of this act.

(5) $123,218 General Fund and $170,648 federal funds for the Global Commitment appropriation in subdivision (c)(8) of this section for post permanency adoption services.

(6) $56,000 General Fund, $44,000 federal funds, and $100,000 Global Commitment for a grant to Vermont Legal Aid for the Vermont Legal Aid Helpline.

(e) Department of Forests, Parks and Recreation. In fiscal year 2027, funds are appropriated for the following:

(1) $200,000 General Fund for Vermont Outdoor Recreation Economic Collaborative grants.

(2) $300,000 General Fund for the Serve Learn Earn Program.

(f) Department of Housing and Community Development. In fiscal year 2027, funds are appropriated for the following:

(1) $800,000 General Fund for the Manufactured Home Improvement and Repair Program.

(2) $1,000,000 General Fund for a grant to the Vermont State Housing Authority for the Rent Arrears Assistance Fund established by 2023 Acts and Resolves No. 47, Sec. 45.

(3) $100,000 General Fund for the Vermont Housing Finance Agency First Generation Homebuyer Program.

(4) $25,000 General Fund for a grant to the South Hero Service Committee to design and construct a building.

(5) $50,000 General Fund for a grant to the Vermont 250th Anniversary Commission for the 250th celebration.

(6) $250,000 General Fund for a grant to the Vermont Council on Rural Development for municipal technical assistance.

(g) Department of Economic Development. In fiscal year 2027, funds are appropriated for the following:

(1) $150,000 General Fund for maintaining the current contract with the Canadian International Economic Development Partnership to provide in-market services to Montreal-based businesses seeking to expand into Vermont.

(2) $75,000 General Fund for a grant to the Vermont Professionals of Color Network.

(3) $2,000,000 General Fund for the Rural Industry Development Program.

(4) $100,000 General Fund for a grant to the Vermont Law and Graduate School for its public education offerings and free legal support to small businesses through its Vermont Small Business Law Center.

(5) $150,000 General Fund for a grant to the Vermont Small Business Development Center to support the continuation of its work in helping Vermonters start, acquire, and grow businesses and to increase business advising and educational workshops to meet increasing demands of entrepreneurs and small business owners post pandemic.

(h) Agency of Transportation. In fiscal year 2027, funds are appropriated for the following:

(1) $1,360,069 Transportation Fund for the FEMA 428 project relocating the Central Garage to Paine Turnpike in Berlin.

(2) $1,347,107 PILOT Special Fund, notwithstanding 32 V.S.A. § 3709(a), for grants to municipalities that would have otherwise been eligible for federal aid if a presidential disaster declaration had been approved for damage incurred in Caledonia County during July 2025. Grants shall be provided on a reimbursement basis for actual costs incurred under the following conditions:

(A) Awards shall be for repairs made to infrastructure included in damage estimates conducted by the Agency of Transportation in March 2026 for the July 2025 disaster.

(B) Awards shall be for up to 50 percent of the repair costs estimated by the Agency of Transportation in March 2026.

(C) The repair conducted is compliant with all applicable Vermont statutes and regulations.

(D) The recipient agrees to maintain documentation as required by the Agency of Transportation.

(E) The recipient accepts other award terms and conditions as determined by the Agency of Transportation and required by Agency of Administration Bulletin 5 to ensure the funds are spent appropriately and effectively.

(3) $300,000 General Fund for supplemental nonemergency medical transportation funding.

(4) $3,000,000 PILOT Special Fund, notwithstanding 32 V.S.A. § 3709(a), to provide additional grants through the general State aid to town highways program pursuant to 19 V.S.A. § 306(a). The amount appropriated pursuant to this subdivision shall be supplemental to and shall not supplant or decrease any amounts appropriated pursuant to the provisions of 19 V.S.A. § 306(a) in fiscal year 2027.

(i) Department of Health. In fiscal year 2027, funds are appropriated for the following:

(1) $140,000 General Fund for the Vermont State Youth Council.

(2) $150,000 General Fund for a grant to the Vermont Language Justice Project to prepare informational materials for Vermonters who speak languages other than English in the event of a disease outbreak, natural disaster, or other public health emergency.

(j) Department of Mental Health. In fiscal year 2027, funds are appropriated for the following:

(1) $160,000 General Fund for a grant to the Howard Center for the Community Outreach Program.

(k) Department of Disabilities, Aging and Independent Living. In fiscal year 2027, funds are appropriated for the following:

(1) $235,000 General Fund for a grant to HomeShare Vermont.

(2) $1,192,464 Global Commitment to support Meals on Wheels programs.

(3) $100,000 General Fund for a grant to support the start-up costs of a new adult day program in Washington or Rutland county or to support the cost of an existing adult day program to expand its capacity to serve more individuals.

(l) Agency of Agriculture, Food and Markets. In fiscal year 2027, funds are appropriated for the following:

(1) $350,000 General Fund for a grant to the Northeast Organic Farming Association of Vermont for the Crop Cash, Crop Cash Plus, and Farm Share programs.

(2) $300,000 General Fund for grants to Vermont's 14 Natural Resource Conservation Districts.

(3) $250,000 General Fund for a grant to the Vermont Foodbank for the Vermonters Feeding Vermonters Program.

(m) Office of the Secretary of State. In fiscal year 2027, funds are appropriated for the following:

(1) $90,000 General Fund for the Vermont Access Network Community Radio Program.

(2) $450,000 General Fund to support the costs of elections in calendar year 2026.

(3) $50,000 General Fund for awards to support local civic journalism.

(n) Department of Labor. In fiscal year 2027, funds are appropriated for the following:

(1) $200,000 General Fund for a grant to Advance Vermont.

(o) Agency of Education. In fiscal year 2027, funds are appropriated for the following:

(1) $157,000 General Fund to provide healthy meals and snacks to children and adults receiving supervised care services.

(2) $150,000 General Fund for automated external defibrillators and cardiopulmonary resuscitation training in schools.

(3) $700,000 General Fund for the Read Vermont Program.

(p) [Deleted.]

(q) Vermont Student Assistance Corporation. In fiscal year 2027, funds are appropriated for the following:

(1) Notwithstanding 16 V.S.A. § 2885, $2,320,000 Higher Education Endowment Trust Fund, which shall be considered a reduction to the principal for the purposes of the calculations in 16 V.S.A. § 2885(c) and (d), for Freedom and Unity grants.

(r) Office of the State Treasurer. In fiscal year 2027, funds are appropriated for the following:

(1) $150,000 General Fund for the Volunteer Income Tax Assistance Program.

(2) $75,000 General Fund for costs associated with the Pension and Benefits Funding Task Force.

(s) General Assembly. In fiscal year 2027, funds are appropriated for the following:

(1) $15,000 General Fund to support the work of the County and Regional Governance Study Committee.

(t) Vermont State Colleges. In fiscal year 2027, funds are appropriated for the following:

(1) Notwithstanding 16 V.S.A. § 2885, $600,000 Higher Education Endowment Trust Fund, which shall be considered a reduction to the principal for the purposes of the calculations in 16 V.S.A. § 2885(c) and (d), for the development of the new 30-unit, three-story housing complex on the Johnson Campus.

(u) [Deleted.]

(v) [Deleted.]

(w) [Deleted.]

(x) University of Vermont. In fiscal year 2027, funds are appropriated for the following:

(1)(A) Notwithstanding 16 V.S.A. § 2885, $2,000,000 Higher Education Endowment Trust Fund, which shall be considered a reduction to the principal for the purposes of the calculations in 16 V.S.A. § 2885(c) and (d), and $10,000,000 General Fund for the Multi-Purpose Center Project approved by the Board of Trustees in 2019.

(B) Any contract awarded for construction that is paid for with this spending authority shall adhere to the higher of:

(i) the prevailing wage requirements established in 29 V.S.A. § 161(b); or

(ii) the prevailing local wage requirements as determined by the U.S. Department of Labor under the Davis-Bacon Act or related federal acts or regulations.

(C) It is the intent of the General Assembly that this appropriation be a contribution to the remaining fundraising effort, estimated to be a total of $101,000,000, for the project. If the University of Vermont has not received new donations for the project totaling $89,000,000 or more between July 1, 2026, and July 1, 2029, it is the intent of the General Assembly that future appropriations beginning in fiscal year 2030 be reduced over a reasonable number of fiscal years to recoup an amount equal to this appropriation and any interest accrued without causing undue financial harm to the institution.

(D)(i) In fiscal years 2027, 2028, and 2029, as part of its budget presentation and as requested, to the extent that the fundraising effort for the project is ongoing, the University of Vermont shall report to the House and Senate Committees on Appropriations on the status of the fundraising effort.

(ii) In fiscal years 2027, 2028, and 2029, to the extent that the fundraising effort for the project is ongoing, the University of Vermont shall report to the Joint Fiscal Committee at its July meeting and as requested on the status of the fundraising effort.

(y) Department of Corrections. In fiscal year 2027, funds are appropriated for the following:

(1) $50,000 General Fund for a grant to Jenna's Promise to support reentry services.

(z) Center for Crime Victim Services. In fiscal year 2027, funds are appropriated for the following:

(1) $350,000 Domestic and Sexual Violence Special Fund for grants to the member organizations of the Vermont Network Against Domestic and Sexual Violence.

Sec. B.1101 FISCAL YEAR 2026 CLOSEOUT; FISCAL YEAR 2027 CONTINGENT TRANSACTIONS

(a) As part of the fiscal year 2026 closeout, the Department of Finance and Management shall execute the requirements of 2025 Acts and Resolves No. 27, Sec. D.103(a)(1)(D), as amended by 2026 Acts and Resolves No. 74, Sec. 55 and further amended by Sec. C.102 of this act; 32 V.S.A. § 308; and 32 V.S.A. § 308f. The Department of Finance and Management shall then, notwithstanding 32 V.S.A. § 308c, calculate the maximum number of contingent transactions that can be funded, in the order provided in subsection (b) of this section, and reserve that money for such purpose in fiscal year 2027. Any residual balance shall be reserved in accordance with 32 V.S.A. § 308c.

(b) In fiscal year 2027, any contingent reserve established per subsection (a) of this section shall be unreserved and the following transactions shall be executed in the following order. In the event that the contingent reserve is insufficient to fully fund the following transactions, the Department of Finance and Management shall execute the transactions to the greatest extent possible, including partial funding:

(1) $9,547,596.39 is transferred to the Technology Modernization Special Fund (#21951).

(2) $30,000,000 is reserved for future appropriation or transfer by the General Assembly for addressing federal funding shortfalls, Vermont Medicaid and other human services needs, property tax relief, permanent housing initiatives, or any other uses determined to be in the best interests of the public.

Sec. B.1103 CASH FUND FOR CAPITAL AND ESSENTIAL INVESTMENTS; FISCAL YEAR 2027 ONE-TIME CAPITAL APPROPRIATIONS

(a) In fiscal year 2027, $23,418,454.70 is appropriated from the Capital Infrastructure Subaccount in the Cash Fund for Capital and Essential Investments for the following:

(1) Department of Buildings and General Services:

(A) $1,781,174.60 for statewide major maintenance;

(B) $225,000 for statewide physical security enhancements;

(C) $3,600,000 for Asa Bloomer roof replacement;

(D) $900,000 for Rutland multimodal garage renovation;

(E) $3,000,000 for Burlington, 32 Cherry St. parking garage repairs;

(F) $1,050,000 for the Agency of Human Services for HVAC upgrades at correctional facilities;

(G) $225,000 for the Agency of Human Services for statewide correctional facilities security upgrades;

(H) $2,700,000 for the Agency of Human Services for St. Johnsbury, Northeast Correctional Complex (NECC) door control system replacements;

(I) $1,000,000 for the Agency of Human Services for the Northern State Correctional Facility boiler replacement;

(J) $500,000 for the Agency of Human Services for Newport, Northern State Correctional Facility sprinkler system upgrades;

(K) $500,000 for the Agency of Human Services for maintenance, replacement, and renovations at the Chittenden Regional Correctional Facility or other correctional facilities utilized in response to overcrowding for the incarcerated women's population;

(L) $772,557.10 for the Agency of Human Services for the Department for Children and Families' youth short-term stabilization facility;

(M) $500,000 for the Department of Public Safety for an Urban Search and Rescue (USAR) facility; and

(N) $1,600,000 for the Judiciary for renovations at the White River Junction courthouse.

(2) Department of Environmental Conservation:

(A) $2,498,000 for the State match for federal Drinking Water State Revolving Fund; and

(B) $150,000 for Waterbury Dam Penstock project cost overruns.

(3) Department of Forests, Parks and Recreation:

(A) $400,000 for park infrastructure and rehabilitation, improvement, and three-acre rule compliance.

(4) Department of Fish and Wildlife:

(A) $200,000 for dam maintenance and safety planning.

(5) Judiciary:

(A) $500,000 for the Essex County Courthouse connector project.

(6) Vermont Historical Society:

(A) $566,724 for the replacement of a climate control unit.

(7) Department of Corrections:

(A) $750,000 to work with the Agency of Digital Services to develop a plan for providing network connectivity in State correctional facilities that modernizes processes and reduces reliance on paper; improves staff efficiency and addresses workforce challenges, such as staff retention; supports real-time data-driven operations; lays the foundation for future capabilities, such as wearable technology and mobile device–supported operations; and ensures secure, compliance connectivity in key facilities, each as outlined in the *Business Transformation Project Recommendations Report* issued by the Agency.

Sec. B.1104 MEDICAID AND SNAP BENEFIT ASSISTANCE GRANTS

(a) Notwithstanding 2025 Acts and Resolves No. 27, Sec. B.1101(b)(3), in fiscal year 2027, $3,500,000 of the amount reserved in the General Fund pursuant to 2025 Acts and Resolves No. 27, Sec. B.1101(b)(3) shall be unreserved and an equal amount shall be appropriated to the Agency of Human Services for a grant program for benefit assistance services provided by community-based organizations throughout the State, including by the parent child centers, community action agencies, recovery centers, Vermont 211, area agencies on aging, and designated and specialized service agencies. In developing this grant program, the Agency shall collaborate with Hunger Free Vermont and the Office of the Health Care Advocate on program design and the selection of the community-based organizations receiving grants. The Agency shall provide an update on program design and grant recipient selection at the Joint Fiscal Committee's July 2026 meeting. The Agency shall distribute grants on or before September 1, 2026.

(b)(1) Funds appropriated in this section shall be used to issue new or augment existing or planned grants to organizations to assist clients with navigating Supplemental Nutrition Assistance Program (SNAP) or Medicaid eligibility, application processes, and benefit maintenance, respectively, through the use of benefit assisters. The Agency shall ensure that benefit assisters at the grant recipient organizations are providing accurate information. Vermont 211 shall conduct outreach to all organizations receiving a grant pursuant to this section to ensure that appropriate referrals are made and information about benefit assistance services is available to the public.

(2) The Agency shall work with organizations receiving a grant pursuant to this section to develop communications and outreach strategies to proactively connect with households. Such strategies shall include plain language mailings, phone and text message scripts, email scripts, and press release communications. The Agency shall work with organizations receiving a grant pursuant to this section to reduce the administrative burden on applicants and participants by sharing information when permissible to verify SNAP and Medicaid requirements.

(3) Beginning in September 2026 through June 2027, the organizations receiving a grant pursuant to this section shall submit quarterly reports to the House Committees on Health Care and on Human Services, the Senate Committee on Health and Welfare, and the Agency regarding:

(A) the number of organization employees trained as benefit assisters to assist with navigating SNAP or Medicaid requirements, respectively;

(B) the total number of eligible individuals who received assistance from benefit assisters each quarter, including those receiving repeat application assistance, repeat benefit maintenance assistance, and enrollment assistance;

(C) the number of individuals referred to other service providers or enrolled in other State or federal benefit programs as a result of an interaction with a benefit assister; and

(D) qualitative information regarding how outreach is conducted to inform individuals that benefit assistance services are available.

(4) Beginning in September 2026 through June 2027, Vermont 211 shall submit quarterly reports to the House Committees on Health Care and on Human Services and to the Senate Committee on Health and Welfare regarding its outreach efforts and the number of referrals made to the organizations receiving a grant pursuant to this section.

(c) Any spending authority designated for the purpose provided in this section that remains unexpended at the end of fiscal year 2027 shall be carried forward for the same purpose for which it was originally designated.

* * * Fiscal Year 2026 Adjustments, Appropriations, and Amendments * * *

Sec. C.100 2026 Acts and Resolves No. 74, Sec. 83(e) is amended to read:

(e) If funds previously appropriated to the Agency of Human Services are insufficient to provide the State match needed to make the payment adjustment in subsection (a) of this section, notwithstanding 32 V.S.A. § 308b, the Commissioner of Finance and Management shall unreserve an amount of funds equal to the deficiency from the Human Services Caseload Reserve and, ~~notwithstanding 32 V.S.A. § 706, transfer~~ an amount of funds equal to the deficiency shall be appropriated to the Agency of Human Services.

Sec. C.101 2025 Acts and Resolves No. 27, Sec. E.325(b), as amended by 2026 Acts and Resolves No. 74, Sec. 81, is further amended to read:

(b) Of the General Fund appropriation in Sec. B.325 of this act, $1,322,141 ~~General Fund~~ shall be used by the Department for Children and Families' Office of Economic Opportunity for distribution to community partners providing services to prevent and address homelessness ~~for the purpose of restoring these community partners to their fiscal year 2025 appropriation level~~. The $1,322,141 shall be allocated as follows:

* * *

Sec. C.102 2025 Acts and Resolves No. 27, Sec. D.103, as amended by 2026 Acts and Resolves No. 74, Sec. 55, is further amended to read:

Sec. D.103 RESERVES

(a) Notwithstanding any provision of law to the contrary, in fiscal year 2026, the following reserve transactions shall be implemented for the funds provided:

(1) General Fund.

* * *

(D) The first ~~$74,908,097~~ $78,037,622 of any fiscal year-end balance otherwise subject to the requirements of 32 V.S.A. § 308c(a) shall, instead, be reserved for addressing federal funding shortfalls, property tax relief, or any other uses determined to be in the best interests of the public in the subsequent fiscal year. Any proceeds reserved in accordance with the requirements of this subdivision (D) shall automatically be unreserved for use on July 1 of the subsequent fiscal year.

* * *

Sec. C.103 2025 Acts and Resolves No. 73, Sec. 32 is amended to read:

Sec. 32. AGENCY OF EDUCATION; TRANSFORMATION APPROPRIATION; TRANSITION GRANTS

(a) The sum of ~~$2,865,000.00~~ $3,647,000.00 is appropriated from the General Fund to the Agency of Education in fiscal year 2026 to support education transformation work as follows:

(1) ~~$200,000.00~~ $982,000.00 for the purpose of awarding transition grants to support ~~school boards transitioning~~ the work required to transition to new governance and administrative models ~~as contemplated in this act~~ pursuant to subsection (b) of this section, and in light of the continued analysis of the work necessary in the field to transition to new, operational school districts;

(2) $562,500.00 for positions established in Sec. 33 of this act; and

(3) $2,102,500.00 for contracted services, subject to the restrictions contained in subsection (c) of this section, to ~~support~~ facilitate school ~~districts~~ boards to study the advisability of forming union school districts, as well as to support districts with administrative activities relating to consolidation, including accounting, budget and operational practice, and to support education quality activities including the alignment of curricula, instructional materials, and teaching activities.

(b) The Agency shall use the funds appropriated in subdivision (a)(1) of this section to award transition facilitation grants to support the work required to transition to new governance and administrative models.

(c) The appropriation contained in subdivision (a)(3) of this section shall be subject to the following restrictions:

(1) While this appropriation may be used to contract for data analysis necessary to support school districts with the administrative activities related to consolidation, it shall also be used for developing data analysis tools to support merger committees in consultation with the Department of Taxes.

(2) This appropriation shall be used to provide direct support to school boards for the business processes that are required to be completed before new school districts become operational. Support and training for school business officials and other school district personnel shall be funded solely through the appropriation contained in subdivision (a)(1) of this section and the corresponding grants created in subsection (b) of this section.

(3) This appropriation may be used to support the special education strategic plan required pursuant to Sec. 30 of this act. It is the intent of the General Assembly that the strategic plan addresses the supports and processes needed to be in place for the transition to the weighted funding model for special education as such funding model is contemplated in this act and as may be further amended by an act of the General Assembly after consideration of the report required pursuant to Sec. 45a of this act. Any work or analysis done by the Agency regarding alternatives to the base amount or weights contained in this act shall not be funded from this appropriation.

Sec. C.104 2025 Acts and Resolves No. 27, Sec. E.127.2 is amended to read:

Sec. E.127.2 FEDERAL FUNDING; CALCULATION OF APPROPRIATION REDUCTION; SECRETARY OF ADMINISTRATION; JOINT FISCAL COMMITTEE

(a) As used in this section:

(1) "Unduplicated function total" means the individual function totals set forth in this act excluding Global Commitment funds, Interdepartmental Transfer funds, and Internal Service funds. For purposes of this section, the determination of an unduplicated function total shall not include Education Funds.

(2) "Governmental function unit" refers to the governmental function areas set forth in Sec. A.108 of this act.

(b) In fiscal years 2026, 2027, 2028, and 2029, in each instance that a reduction in federal revenues to the State results in a decrease of the unduplicated function total for any governmental function unit by:

(1) Less than 0.5 percent of the unduplicated function total or $2,000,000, whichever threshold amount is greater, the Secretary of Administration shall notify the Joint Fiscal Committee and may prepare and implement a spending authority reduction plan without the approval of the Joint Fiscal Committee, provided that any total reductions in appropriations and transfers of funds are not greater than the reduction in the federal revenues. If the Secretary's plan consists of reductions greater than five percent to the total amount appropriated in any section or subsection of any appropriations act, such plan shall only be implemented in the manner provided for in 32 V.S.A. § 704(b)(2).

(2) Greater than $2,000,000 and 0.5 percent of the unduplicated function total for any governmental function unit, but less than 25 percent or $50,000,000, whichever threshold amount is lower:

(A) the Secretary of Administration shall prepare a spending authority reduction and transfer plan for consideration and approval by the Joint Fiscal Committee pursuant to the same process established in 32 V.S.A. § 704(e), notwithstanding the reference to subdivision (b)(1) of this section, provided that the total reductions to federal spending authority are not greater than the reductions in federal revenues; and

(B) to maintain a balanced State budget, to minimize the impact to Vermonters and to abide by the legislative intent set forth by the General Assembly in this act or future fiscal year appropriations acts, or both, the Joint Fiscal Committee may make a recommendation to the Emergency Board to:

(i) utilize the appropriation in Sec. B.1101(b)(2) of this act to support impacted programs at not more than the current fiscal year funding level until the General Assembly is in session;

(ii) revert any unexpended and unobligated funds; and

(iii) make such reductions or transfers in appropriations necessary to support the priorities of the General Assembly.

(c) Notwithstanding any other provision of law to the contrary, for the purpose of calculating any appropriation reduction that triggers the actions set forth in this section, the baseline federal funding amounts shall be the federal funding set forth in ~~this act~~ the general appropriations act for the fiscal year in which the reduction occurs. The Secretary of Administration shall monitor any changes in federal funding as the difference between the baseline federal funding amount ~~for use in fiscal year 2026~~ and any updated State federal funds revenue forecast adopted by the Emergency Board and shall calculate the percent reduction of the unduplicated function totals for each governmental function unit.

Sec. C.105 3 V.S.A. § 118 is amended to read:

§ 118. COLLECTION AND DISPOSITION OF REVENUE

(a) There is hereby created a Secretary of State Services Fund. The Fund shall be used to provide appropriations for the operations of the Office of the Secretary of State, with the exception of those operations provided for in chapter 5, subchapter 3 of this title. The Fund shall be administered as a special fund pursuant to 32 V.S.A. chapter 7, subchapter 5. ~~At the end of each fiscal year, the unobligated balance in this Fund shall be transferred to the General Fund.~~

(b) All revenues collected by the Secretary of State shall be deposited into the Secretary of State Services Fund except for the following revenues:

(1) any revenues collected by the Office of Professional Regulation set forth in chapter 5, subchapter 3 of this title; and

(2) any revenues collected pursuant to subsection 117(k) of this title.

(c) The Secretary of State shall have the authority to collect and deposit into the Secretary of State Services Fund revenues generated from optional services offered in the normal course of business, including for one-time or periodic sales of data by subscription or other contractual basis.

(d) The Secretary of State or designee shall report annually to the Joint Fiscal Committee at its September meeting on the prior fiscal year Fund balance at closeout. The report shall include projected revenues to and expenditures from the Fund in future fiscal years.

Sec. C.106 2026 Acts and Resolves No. 74, Sec. 79 is amended to read:

Sec. 79. HOUSING ASSISTANCE

* * *

(d) A housing authority shall notify the Department for Children and Families of its intent to request funds and submit a report on its financial need, including evidence that the request conforms to applicable HUD requirements and is a necessary and proper expense, to the Department ~~on or before April 15, 2026~~ within 10 business days after receiving official notice from HUD of its federal fiscal year 2026 funding amount.

(e) ~~On or before May 1, 2026~~ Not more than 20 business days after official notice from HUD of federal fiscal year 2026 funding amounts for housing authorities in Vermont, the Department for Children and Families, in consultation with the Department of Housing and Community Development, shall:

(1) establish procedures for validating that such expenditures conform to applicable HUD requirements and are a necessary and proper expense prior to issuing funds; and

(2) establish guidelines to ensure that funds are distributed based upon need.

* * *

Sec. C.107 2023 Acts and Resolves No. 78, Sec. B.1102(c) is amended to read:

(c) In fiscal year 2024, the amount of $50,000,000 General Fund is appropriated to the Vermont Housing and Conservation Board (VHCB):

(1) $10,000,000 to provide support and enhance capacity for emergency shelter and permanent homes for those experiencing homelessness or who need supportive housing. The funds shall be used to expand Vermont's shelter capacity, provide homes for those experiencing homelessness, create housing for individuals eligible to receive Medicaid-funded developmental disabilities services, and decrease reliance on the General Assistance Emergency Housing hotel and motel program. The Vermont Housing and Conservation Board shall consult with the Agency of Human Services to ensure new investments in homes and shelters are paired with appropriate support services for residents, including services supported through Medicaid. Funded projects may utilize a range of housing options, including the expansion of shelter capacity, the conversion of hotels to housing, the creation of permanent supportive housing, and the utilization of manufactured homes on infill sites.

* * *

Sec. C.108 2024 Acts and Resolves No. 113, Sec. C.110, as amended by 2025 Acts and Resolves No. 27, Sec. C.105, is further amended to read:

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

(a) The Secretary of Administration may reimburse up to $14,300,000 of prior fiscal year federal funds expended through the Emergency Rental Assistance Program, as approved by the Joint Fiscal Committee pursuant to Grant Request #3034 with new General Fund or Other Infrastructure, Essential Investments, and Reserves Subaccount in the Cash Fund for Capital and Essential Investments appropriations transferred from existing State programs that meet the eligibility criteria established by the U.S. Treasury. These programs shall receive an amount of spending authority from the Emergency Rental Assistance Program 2 Fund equal to the amount of General Fund or

Other Infrastructure, Essential Investments, and Reserves Subaccount in the Cash Fund for Capital and Essential Investments appropriation transferred.

(b) To the extent that qualifying General Fund or Other Infrastructure, Essential Investments, and Reserves Subaccount in the Cash Fund for Capital and Essential Investments expenditures already incurred are transferred onto the spending authority established in subsection (a) of this section, the Commissioner of Finance and Management shall, notwithstanding 32 V.S.A.

§ 706, transfer an equivalent amount of General Fund or Other Infrastructure, Essential Investments, and Reserves Subaccount in the Cash Fund for Capital and Essential Investments spending authority to support programs established through Grant Request #3034 and subsequent Emergency Rental Assistance Program grant approvals by the Joint Fiscal Committee.

Sec. C.109 2025 Acts and Resolves No. 27, Sec. B.1100, as amended by 2026 Acts and Resolves No. 74, Sec. 51, is further amended to read:

Sec. B.1100 MISCELLANEOUS FISCAL YEAR 2026 ONE-TIME APPROPRIATIONS

(a) Agency of Administration Secretary's Office. In fiscal year 2026, funds are appropriated for the following:

* * *

(4) $3,000,000 General Fund to ensure the appropriation made in Sec. B.514 of this act is sufficient to meet 100 percent of the Vermont State Teachers' Retirement System Actuarially Determined Employer Contribution. The appropriation made in Sec. B.513 of this act pursuant to 16 V.S.A. § 1944(c)(13) shall not be considered for the purposes of determining whether the appropriation made in Sec. B.514 of this act is sufficient to ensure that the Actuarially Determined Employer Contribution requirement is funded at 100 percent in fiscal year 2026. Any remaining funds may be used, if necessary, to ensure that the Actuarially Determined Employer Contribution for the Vermont State Employees' Retirement System is 100 percent funded in fiscal year 2026. The appropriation made in Sec. B.104.1 of this act pursuant to 3 V.S.A. § 473(c)(8) shall not be considered for the purposes of determining whether fiscal year 2026 appropriations are sufficient to ensure that the Actuarially Determined Employer Contribution requirement is funded at 100 percent in fiscal year 2026. These funds shall carry forward each fiscal year until fully expended or reverted by an act of the General Assembly.

Sec. C.110 2025 Acts and Resolves No. 73, Sec. 3 is amended to read:

Sec. 3. SCHOOL DISTRICT REDISTRICTING TASK FORCE; REPORT

* * *

(i) Appropriations.

* * *

(2) The sum of ~~$100,000.00~~ $28,310.70 is appropriated to the Agency of Digital Services from the General Fund in fiscal year 2026 to cover costs associated with supporting the Task Force, or, if necessary, for the purposes of hiring one or more consultants to provide support to the Task Force.

* * *

Sec. C.111 2025 Acts and Resolves No. 27, Sec. B.338, as amended by 2026 Acts and Resolves No. 74, Sec. 41, is further amended to read:

Sec. B.338 Corrections - correctional services

Personal services	~~184,910,113~~	184,260,113
Operating expenses	26,227,109	26,227,109
Grants	801,823	801,823
Total	~~211,939,045~~	211,289,045
Source of funds		
General fund	~~203,987,089~~	203,337,089
Special funds	990,963	990,963
Federal funds	516,600	516,600
Global Commitment fund	6,048,078	6,048,078
Interdepartmental transfers	396,315	396,315
Total	~~211,939,045~~	211,289,045

Sec. C.112 2025 Acts and Resolves No. 27, Sec. B.347, as amended by 2026 Acts and Resolves No. 74, Sec. 44, is further amended to read:

Sec. B.347 Total human services

Source of funds		
General fund	~~1,461,126,849~~	1,460,476,849
Special funds	232,655,939	232,655,939
Tobacco fund	23,088,208	23,088,208
State health care resources fund	31,074,772	31,074,772
Federal funds	1,993,089,108	1,993,089,108
Global Commitment fund	2,213,122,801	2,213,122,801
Internal service funds	403,853	403,853
Interdepartmental transfers	32,694,090	32,694,090
Permanent trust funds	25,000	25,000
Total	~~5,987,280,620~~	5,986,630,620

Sec. C.113 2022 Acts and Resolves No. 185, Sec. B.1100, as amended by 2023 Acts and Resolves No. 78, Sec. C.115 and 2024 Acts and Resolves No. 87, Sec. 49, is further amended to read:

Sec. B.1100 FISCAL YEAR 2023 ONE-TIME GENERAL FUND APPROPRIATIONS

* * *

(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:

* * *

(3)(A) $2,490,000 shall be immediately available to the Department of Public Safety for a grant to create and implement the Regional Communications System Upgrade Project to enable the Capital Fire simulcast dispatch cell as shown in the *Vermont Public Safety Communications System Design Concept and Recommendations* report of January 2026.

(B) The grant shall only be issued to the Central Vermont Regional Planning Commission and as the fiscal agent for the Capital Fire simulcast dispatch cell if, in the determination of the Department of Public Safety and the Public Safety Communications Task Force, the pilot project shall position the State positively for implementing a statewide simulcast emergency communications system and shall allow the State to prove that the desired vision is not only possible but also practical and serves to gain stakeholder buy-in when implementing change on a larger scale. The pilot project shall enable the standards authority to make iterative improvements and adjust option parameters based on lessons learned during the pilot project, increasing the odds for long-term success.

(C) To obtain the grant funding described in this subdivision (3), the Planning Commission shall first submit a pilot project proposal on or before October 2, 2026, that includes, to the satisfaction of the Department and Task Force:

(i) full designs and engineering plans for an initial construction date in 2027;

(ii) detailed descriptions of project phases, goals, and benchmarks, and how these are met;

(iii) detailed descriptions of project budgeting, including mechanisms for tracking of expenses, record maintenance, and auditing of project finances, a cost quote from a qualified contractor as part of the budget, and a showing of how the cost-sharing requirement described in subdivision (D) of this subdivision (3) will be met; and

(iv) an explanation of how the pilot project aligns with and furthers the development of a statewide public safety communications system

as reported by the Public Safety Communications Task Force, as established by 2023 Acts and Resolves No. 78, Sec. C.114.

(D) To obtain the grant funding described in this subdivision (3), the Planning Commission shall first agree that it will be responsible for 30 percent of the project costs and provide proper documentation that it is able to finance its share of project costs, in its entirety, prior to commencing any phase of the project or expending any grant funds awarded by the Department.

(E) $50,000 shall be immediately available to the Department of Public Safety to hire a technical consultant to evaluate the pilot project proposal requirements described in subdivision (C) of this subdivision (3).

(F) If the Planning Commission satisfies the conditions of subdivisions (B)–(E) of this subdivision (3), the Department shall issue the grant to the Planning Commission on or before November 2, 2026.

(G) The Department shall report on or before January 31, 2027, and again on or before January 31, 2028, to the House Committees on Appropriations and on Government Operations and Military Affairs and to the Senate Committees on Appropriations and on Government Operations with details pertaining to the progress of the project, including grant funds dispensed, and detailed descriptions of project phases, goals, and benchmarks, and how these have or have not been met.

(H) It is the intent of the General Assembly that this Regional Communications System Upgrade Project be a pilot project that shall enable the State to determine an effective and efficient manner in which to implement similar projects in other regions of the State, with the ultimate goal of building a statewide public safety communications system.

(4) Any remaining amounts not obligated pursuant to subdivisions (1) ~~and~~, (2), and (3) of this subsection shall remain unobligated and unexpended until approval to expend the funds is authorized by further enactment of the General Assembly.

* * *

Sec. C.114 2017 Acts and Resolves No. 79, Sec. 13, as amended by 2020 Acts and Resolves No. 120, Sec. A.8, 2021 Acts and Resolves No. 44, Sec. 2, and 2022 Acts and Resolves No. 185, Sec. E.136.1, 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, 2025~~ July 1, 2027.

Sec. C.115 2025 Acts and Resolves No. 27, Sec. D.101(b), as amended by 2026 Acts and Resolves No. 74, Sec. 53, is further amended to read:

(b) The following transfers shall be in accordance with the citations provided. Transfer estimates are for purposes of developing the fiscal year 2026 budget and do not supersede the actual year-end transfer amounts.

(1) To the General Fund (#10000) from the:

* * *

(C) 27 V.S.A. § 1543. Unclaimed Property Fund (#62100): ~~$8,994,314~~ $16,144,149.

* * *

* * * Fiscal Year 2026 Fund Transfers and Reserve Allocations * * *

Sec. D.100 PROPERTY TRANSFER TAX ALLOCATIONS

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

(1) The sum of $608,137 is allocated from the Current Use Administration Special Fund to the Department of Taxes for administration of the Use Tax Reimbursement Program. Notwithstanding 32 V.S.A. § 9610(c), amounts in excess of $608,137 from the property transfer tax deposited into the Current Use Administration Special Fund shall be transferred to the General Fund.

(2) Notwithstanding 10 V.S.A. § 312, amounts in excess of $37,653,750 from the property transfer tax and the surcharge established by 32 V.SA. § 9602a deposited into the Vermont Housing and Conservation Trust Fund shall be transferred to 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) shall be offset by the reduction of $1,500,000 in the appropriation to the Vermont Housing and Conservation Board and $1,000,000 from the surcharge established by 32 V.S.A. § 9602a. The fiscal year 2027 appropriation of $37,653,750 to the Vermont Housing and Conservation Board reflects the $1,500,000 reduction. The affordable housing bond and related property transfer tax and surcharge provisions are repealed after the life of the bond on July 1, 2039. Once the bond is retired, the $1,500,000 reduction in the appropriation to the Vermont Housing and Conservation Board shall be restored.

(3) Notwithstanding 24 V.S.A. § 4306(a)(2), amounts in excess of $10,179,975 from the property transfer tax deposited into the Municipal and Regional Planning and Resilience Fund shall be transferred into the General Fund. Notwithstanding 24 V.S.A. § 4306(a)(3), the $10,179,975 shall be allocated as follows:

(A) $7,838,580 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) $1,323,397 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b); and

(C) $1,017,998 to the Agency of Digital Services for the Vermont Center for Geographic Information.

Sec. D.101 FUND TRANSFERS

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

(1) From the General Fund (#10000) to the:

(A) General Obligation Bonds Debt Service Fund (#35100): $73,797,962.

(B) Capital Infrastructure Subaccount in the Cash Fund for Capital and Essential Investments (#21952): $17,016,160.

(C) Tax Computer System Modernization Fund (#21909): $4,650,000.

(D) Education Fund (#20205): $100,908,097.

(E) Vermont State Police Radio Equipment and Firearm Replacement Special Fund: $500,000.

(F) Domestic and Sexual Violence Special Fund (#21926): $350,000.

(2) From the Transportation Fund (#20105) to the:

(A) General Obligation Bonds Debt Service Fund (#35100): $294,775.

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

(3) From the Education Fund (#20205) to the:

(A) Tax Computer System Modernization Fund (#21909): $1,550,000.

(4) From the Clean Water Fund (#21932) to the:

(A) Agricultural Water Quality Special Fund (#21933): $11,897,381.

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

(5) From the Agency of Human Services Central Office Earned Federal Receipts (#22005) to the:

(A) General Fund (#10000): $5,000,000.

(6) From the AG-Fees and Reimbursement-Court Order Special Fund (#21638) to the:

(A) General Fund (#10000): $2,000,000.

(B) Miscellaneous Fines & Penalties Fund (#21054): $1,538,600.

(7) From the Insurance Reserve Fund (#21335) to the:

(A) Transportation Fund (#20105): $1,360,069, notwithstanding 32 V.S.A. § 135.

(8) From the State PACE Reserve Fund (#21943) to the:

(A) General Fund (#10000): $60,806.73, notwithstanding 24 V.S.A. § 3270.

(9) From the Technology Modernization Special Fund (#21951) to the:

(A) General Fund (#10000): $9,547,596.39, notwithstanding 3 V.S.A. § 3306.

(b) The following transfers shall be in accordance with the citations provided. Transfer estimates are for purposes of developing the fiscal year 2027 budget and do not supersede the actual fiscal year-end transfer amounts.

(1) To the General Fund (#10000) from the:

(A) 8 V.S.A. § 80(d). Insurance Regulatory and Supervision Fund (#21075): $42,837,511.

(B) 9 V.S.A. § 5613(c). Securities Regulatory and Supervision Fund (#21085): $23,762,455.

(C) 27 V.S.A. § 1543. Unclaimed Property Fund (#62100): $10,464,702.

(2) 8 V.S.A. § 6017(b). To the Captive Insurance Regulatory and Supervision Fund (#21085) from the:

(A) General Fund (#10000): $143,318.

(c) Transfers from the following enterprise funds to the General Fund (#10000), shall not exceed the actual fiscal year-end profits earned by the enterprise net of any amount necessary to absolve the fund of a deficit. The following estimated transfers are for purposes of developing the fiscal year 2027 budget only.

(1) From the Sports Wagering Enterprise Fund (#50250): $6,700,000.

(2) From the Liquor Control Fund (#50300): $20,871,297.

Sec. D.102 REVERSIONS

(a) Notwithstanding any provision of law to the contrary, in fiscal year 2027, the following amounts shall revert to the General Fund from the accounts indicated:

1100892208	AOA-VT Housing Finance Agency	1,000,000.00
1100892310	AOA-FEMA COVID Match	890,937.34
1100892402	AOA-High-Risk FEMA Denial Resv	5,184,452.41
1100892401	AOA-ORE-Language Access Plan	150,000.00
2200892301	AAFM-Ecosystems Services	100,000.00
2200892307	AAFM-Conservation Districts	16,513.42
2200892408	AAFM-Dairy Risk Mgmt	35,496.73
2240892204	PSD-Affordable Comm Scale Ren	200,000.00
2240892404	PSD-SHARE	195,000.00

3150892302	DMH-Howard Center	790.68
3400892204	AHSCO-Workforce Retention	300,000.00
3400892304	AHS-Nurse Preceptor Grants	189,984.00
3410892502	DVHA-Technical Analysis	21,601.25
3440891905	Child Dev Assoc Credential	29,752.09
3440892401	DCF-Reach Ahead 2 Year Pilot	498.63
3480892501	DOC-Data Contract	300,000.00
5100892308	AOE-Universal Income Dec.	99,990.00
6140892402	DEC-Emissions Repair Program	362,416.60
7110892406	HCD-Mobile Home Condemnation	831,043.50
7110892106	HCD - Tech Serv Local Gov	1,056.73
7110892306	HCD-Designated Area Report	5,342.36
7120892204	ACCD-Technology Related Grants	100,000.00

Sec. D.103 RESERVES

(a) Notwithstanding any provision of law to the contrary, in fiscal year 2027, the following reserve transactions shall be implemented for the funds provided:

(1) General Fund.

(A) The General Fund 27/53 Reserve shall be adjusted in accordance with 32 V.S.A. § 308e. For purposes of developing this budget, $6,550,000 is expected to be reserved in fiscal year 2027.

(B) The $30,000,000 General Fund reserved pursuant to 2025 Acts and Resolves No. 27, Sec. B.1101(b)(4) is unreserved.

* * * General Government * * *

Sec. E.100 POSITIONS

(a) The establishment of six permanent positions is authorized in fiscal year 2027 for the following:

(1) Permanent classified positions:

(A) Office of the State Treasurer:

(i) one Program Technician III; and

(ii) one Policy and Research Manager.

(B) Vermont Pension Investment Commission:

(i) one Financial Director III.

(C) Office of the Secretary of State:

(i) one RIM Specialist; and

(ii) one Business Services Administrator.

(2) Permanent exempt positions:

(A) Vermont Labor Relations Board:

(i) one Mediator.

(b) The establishment of one limited service exempt Staff Attorney position is authorized at the State Ethics Commission in fiscal year 2027.

(c) The conversion of four limited service positions to permanent classified status is authorized in fiscal year 2027 as follows:

(1) Office of the Attorney General:

(A) one Assistant Director of Court Diversion and Pretrial Services; and

(B) one Home Improvement Specialist.

(2) Office of the Secretary of State:

(A) one Administrative Services Coordinator IV.

(3) Department of Public Service:

(A) one Financial Director IV.

(d) The conversion of 26 limited service positions to permanent exempt status is authorized in fiscal year 2027 as follows:

(1) Judiciary:

(A) one Database Administrator;

(B) two IT Help Desk Analysts;

(C) two Centralized Service Analysts;

(D) 10 Judicial Assistants; and

(E) 11 Judicial Officer II's.

Sec. E.100.1 2025 Acts and Resolves No. 27, Sec. E.100.3 is amended to read:

Sec. E.100.3 AMERICAN RESCUE PLAN ACT; CORONAVIRUS STATE FISCAL RECOVERY FUND APPROPRIATIONS; REPORTING

(a) In fiscal ~~year~~ years 2026 and 2027, the Secretary of Administration shall report to the Joint Fiscal Committee on a quarterly basis, and upon the request of the Committee, on the status of appropriations made from the American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund.

(1) Reports shall include information on:

(A) the original amounts appropriated;

(B) outstanding obligations against appropriations; and

(C) any remaining spending authority.

(b) In fiscal ~~year~~ years 2026, 2027, and 2028, the Secretary of Administration shall report to the Joint Fiscal Committee on a quarterly basis, and upon the request of the Committee, on the status of any spending authority established pursuant to 2023 Acts and Resolves No. 113, Sec. E.106.

(1) Reports shall include information on:

(A) the original amounts appropriated;

(B) outstanding obligations against appropriations; and

(C) any remaining spending authority.

(c) Any spending authority established pursuant to 2024 Acts and Resolves No. 113, Sec. E.106(a) ~~and (c)~~ that remains unexpended and unencumbered on December 31, 2027, shall revert to the General Fund. Any unallocated balance resulting from this reversion shall be reserved in the General Fund Balance Reserve.

* * *

Sec. E.100.2 SECRETARY OF ADMINISTRATION; REPORT ON STATUS OF FEDERAL FUNDS

(a) The Secretary of Administration shall report to the Joint Fiscal Committee at its July, September, and November 2026 meetings, and at other meetings as requested, on any reductions to federal revenues to the State and the status of any appropriations impacted by such reductions.

Sec. E.100.3 2018 (Sp. Sess.) Acts and Resolves No. 9, Sec. 5 is amended to read:

Sec. 5. EXECUTIVE DIRECTOR OF RACIAL EQUITY; RACIAL EQUITY ADVISORY PANEL; 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 2019, a surcharge ~~of up to 1.65 percent, and in fiscal year 2020 and thereafter, a surcharge of up to 3.3 percent, but~~ not greater than the cost of both the Racial Equity Advisory Panel and the ~~position of Executive Director~~ activities of the Office of Racial Equity set forth in Sec. 3 of this act, on the ~~perposition~~ 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 Racial Equity Advisory Panel and the position of the Executive Director of Racial Equity set forth in Sec. 3 of this act.

(b) Repeal. This section shall be repealed on ~~June 30, 2024~~ July 1, 2027.

Sec. E.105.1 AGENCY OF DIGITAL SERVICES; INFORMATION TECHNOLOGY INTERNAL SERVICE FUND; DEFICIT MITIGATION PLAN

(a) On or before January 15, 2027, the Agency of Digital Services shall, in consultation with the Department of Finance and Management, provide a written plan to the House Committees on Appropriations and on Energy and Digital Infrastructure and the Senate Committees on Appropriations and on Institutions on how to reduce the fund deficit in the Information Technology Internal Service Fund established by 3 V.S.A. § 3304, including any recommended changes to Fund sources, uses, and transfers. The report shall include information on revenues to and expenditures from the Fund and the Fund's balance at the fiscal year closeout for the previous 10 fiscal years. The report shall also include the most current available information Fund sources, uses, transfers, and the estimated Fund balance at the fiscal year 2027 closeout.

(b) On or before February 15, 2027, the Agency of Digital Services shall, in consultation with the Department of Finance and Management, provide a report to the House Committees on Appropriations and on Energy and Digital Infrastructure and the Senate Committees on Appropriations and on

Institutions on the approach and assumptions used for estimating sources and uses for the Core Enterprise Services Fund (#58100), Enterprise Offerings Fund (#58110), Professional Services Fund (#58120), and Customized Services Fund (#58130) for the purposes of building the fiscal year 2027 budget. The report shall include information on the Agency's adaptation to and compliance with new procedures on the part of various State agencies and departments and any managerial or organizational advantages to the fiscal year 2027 budgeting approach.

(c) On or before February 15, 2027, the Department of Finance and Management shall provide a report to the House Committees on Appropriations and on Energy and Digital Infrastructure and the Senate Committees on Appropriations and on Institutions on the establishment and consistent use of the State's Chart of Accounts to uniformly track expenditures associated with major IT projects by agency and department. It is the intent of the General Assembly that project-level tracking include contracts with IT implementation vendors, business process contracts that support project delivery, and internal staffing and operating costs.

Sec. E.106 32 V.S.A. § 307(b) is amended to read:

(b) The budget shall also include in detail definite recommendations of the Governor relative to the amounts that should be appropriated to each of the activities referred to under this section. It shall also include definite recommendations of the Governor relative to the financing of the expenditures recommended and the appropriate amounts to be raised from ordinary revenue, direct taxes, bonds, or loans. The financing of the expenditures recommended, as proposed by the Governor, shall not include the funds from the Budget Stabilization Reserve as established in section 308 of this title. With the budget, the Governor shall submit to the General Assembly such messages, statements, or supplemental data with reference to the same, as the Governor may deem expedient; however, budget documentation shall include to the extent possible the following:

* * *

(5) A document outlining reversions and approved carryforward by appropriation for those funds subject to the Secretary of Administration's carryforward authority or containing automatic carryforward provisions as designated by the General Assembly.

Sec. E.108 STATE EMPLOYEE COMPENSATION STUDY; DEPARTMENT OF HUMAN RESOURCES; REPORT

(a) On or before January 15, 2027, the Department of Human Resources shall submit a written report to the House and Senate Committees on

Appropriations, the House Committee on Government Operations and Military Affairs, and the Senate Committee on Government Operations with its findings and any recommendations for legislative action on how and whether to amend the statutes governing State employee compensation, including what State employee salary information should be set forth in statute and the method of determining appropriate pay increases for State employees. The report and recommendations shall be based on the Department's review and analysis of the following:

(1) those exempt position titles that set forth the associated salary in statute and the exempt position titles that do not set forth salary in statute;

(2) how the annual rate of adjustment is determined and applied for exempt employee salaries and how it compares to the annual rate of adjustment determination and application for classified employee salaries; and

(3) the salary advancement structure for exempt employees as compared to the salary advancement structure for classified employees.

Sec. E.108.1 3 V.S.A. § 2283 is amended to read:

§ 2283. DEPARTMENT OF HUMAN RESOURCES

* * *

(c)(1) There is established in the Department of Human Resources a Human Resource Services Internal Service Fund to consist of revenues from charges to agencies, departments, and similar units of Vermont State government and to be available to fund the costs of the consolidated human resource, Office of Racial Equity, and State Ethics Commission services in the Department of Human Resources.

(2) The rate of the charges shall be proposed by the Commissioner of Human Resources, subject to the approval of the Secretary of Administration. Proposed rates of charges shall be based upon the cost of operations associated with human resource, Office of Racial Equity, and State Ethics Commission services provided to agencies, departments, and similar units of Vermont State government.

Sec. E.111 DEPARTMENT OF TAXES; POSITION POOL; FUNDING

(a) Of the funds appropriated in Sec. B.111 of this act, $135,000 General Fund shall be for a permanent, classified Business Analyst position to be taken from the position pool.

Sec. E.127 JOINT FISCAL OFFICE; SPECIAL FUNDS REPORT

(a) The Joint Fiscal Office shall, in consultation with the Department of Finance and Management, provide a report with a general overview of special funds and their uses to the House and Senate Committees on Appropriations on or before December 15, 2026.

(b) In addition to the report outlined in subsection (a) of this section, the Joint Fiscal Office shall, in consultation with the Office of Legislative Counsel and the Department of Finance and Management, submit the following reports to the House and Senate Committees on Appropriations:

(1) A report with detailed information on all special funds in existence the prior fiscal year that fall within function areas of government identified by the Department of Finance and Management's accounting system as "general government," "labor," "general education," "commerce and community development," and "transportation." The report shall be submitted on or before December 15, 2026.

(2) A report with detailed information on all special funds in existence the prior fiscal year that fall within function areas of government identified by the Department of Finance and Management's accounting system as "human services" and "natural resources." The report shall be submitted on or before December 15, 2027.

(3) A report with detailed information on all special funds in existence the prior fiscal year that fall within function areas of government identified by the Department of Finance and Management's accounting system as "protection to persons and property." The report shall be submitted on or before December 15, 2028.

(4) A report with detailed information on all special funds in existence the prior fiscal year that did not fall within any function areas of government identified in subdivisions (1)–(3) of this subsection or that would fall within those function areas of government but were established after the relevant report was submitted. The report shall be submitted on or before December 15, 2029.

(c) The reports required by subsection (b) of this section shall include, for each special fund identified, the following information, if available:

(1) the authorizing statute for the fund, its date of enactment, and any amendments to the statute;

(2) a description of sources, uses, transfers, and reservations, including stated purposes of uses, transfers, and reservations;

(3) the prior fiscal year fund balance at closeout; and

(4) other relevant information on the general management and oversight of the fund.

Sec. E.127.1 FISCAL YEAR 2027 FEE REPORT; HUMAN SERVICES; NATURAL RESOURCES

(a) Fiscal year 2027 fee information. Agencies, departments, boards, and offices that receive appropriations in Secs. B.300–399 and B.700–799 of this act shall, in collaboration with the Joint Fiscal Office, prepare a comprehensive fee report for each fee that is in effect in fiscal year 2027. The fee report shall contain the following information for each fee:

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

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

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

(4) the amount of the revenues derived from the fee in each of the five fiscal years preceding fiscal year 2027;

(5) the number of times that the fee was paid in each of the two fiscal years preceding fiscal year 2027;

(6) a projection of the fee revenues in fiscal years 2027 and 2028;

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

(8) the amount of the fee if adjusted for inflation from the last time the fee amount was modified using an appropriate index chosen in consultation with the Joint Fiscal Office. The inflation adjustment shall be calculated as the percentage change between the value of the index in the July of the year the fee was last adjusted by the General Assembly and July 2026;

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

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

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

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

(b) Reports.

(1) The Joint Fiscal Office shall provide guidance as necessary to the agencies, departments, boards, and offices described in subsection (a) of this section on the methodology to be used for compiling the information requested in the fee reports. On or before October 15, 2026, the agencies, departments, boards, and offices described in subsection (a) of this section shall submit a draft report of the information required in subdivisions (a)(1)–(12) of this section to the Joint Fiscal Office for review. Agencies, departments, boards, and offices shall work with the Joint Fiscal Office to finalize the report before submitting the report described in subdivision (2) of this subsection.

(2) On or before December 15, 2026, the agencies, departments, boards, and offices described in subsection (a) of this section shall submit a final report to the Joint Fiscal Office.

(3) On or before January 15, 2027, the Joint Fiscal Office shall submit a consolidated report consisting of the final reports submitted pursuant to subdivision (2) of this subsection to the House Committees on Appropriations and on Ways and Means and the Senate Committees on Appropriations and on Finance.

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

(c) As used in this section, as it pertains to Executive Branch agencies, departments, boards, and offices, "fee" means any source of State revenue classified by the Department of Finance and Management Accounting System as "fees," "business licenses," "nonbusiness licenses," and "fines and penalties."

(d) Executive Branch fee report moratorium. Notwithstanding 32 V.S.A. § 605, in fiscal year 2027, the Governor shall not be required to submit the consolidated Executive Branch fee annual report and request to the General Assembly.

Sec. E.131 HIGHER EDUCATION ENDOWMENT TRUST FUND; USES; REPORT

(a) In calendar year 2026, as part of the annual financial report on the Vermont Higher Education Endowment Trust Fund required by 16 V.S.A. § 2885(e), the Office of the State Treasurer shall, in consultation with the Vermont Higher Education Endowment Trust Fund Council and the respective student government associations of the University of Vermont, Community

College of Vermont, and Vermont State University, on each item listed below, include recommendations on the following:

(1) any changes to Fund sources, uses, and transfers, including any expanded uses of the Fund and adjustments to the current statutory allocation structure;

(2) mechanisms, including requiring consultation with the Vermont Higher Education Endowment Trust Fund Council, for ensuring appropriate fiduciary oversight of the use of the Fund to ensure that the endowed funds, including principal and interest earnings, are available for the intended purpose of providing scholarships to Vermont students;

(3) how to expand or modify the membership of the Council to include student representatives of the recipient institutions of higher education; and

(4) how to expand the scope of scholarship awards, including award amounts, types of degrees covered, and institutions of higher education included in the scholarship program.

Sec. E.131.1 STATE PACE RESERVE FUND; REPEAL

(a) 24 V.S.A. § 3270 (State PACE Reserve Fund) is repealed and any balance remaining shall be transferred to the General Fund.

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

(a) Of the $3,768,126 appropriated in Sec. B.133 of this act, $2,526,938 constitutes the Vermont State Employees' Retirement System operating budget, and $1,241,188 constitutes the portion of the Vermont Pension Investment Commission's budget attributable to the Vermont State Employees' Retirement System.

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

(a) Of the $2,207,870 appropriated in Sec. B.134 of this act, $1,765,361 constitutes the Vermont Municipal Employees' Retirement System operating budget, and $442,509 constitutes the portion of the Vermont Pension Investment Commission's budget attributable to the Vermont Municipal Employees' Retirement System.

Sec. E.135 3 V.S.A. § 922 is amended to read:

§ 922. OFFICE SPACE; EMPLOYEES; MEDIATOR

(a) The Secretary of Administration shall, upon request by the State Labor Relations Board, allow the Board the responsible use of public buildings under ~~his or her~~ the Secretary's control and furnish heat, light, and furniture for any meeting or hearing called by the Board.

(b) The Board may employ such employees and agents as it deems necessary and may employ a reporter for taking and transcribing testimony in hearing before it.

(c)(1) The Board may employ a mediator to provide free mediation services to public and private sector collective bargaining units and employers upon reaching an impasse during collective bargaining.

(2) If the mediator has capacity, the mediator may provide free mediation services to public and private sector collective bargaining units and employers on grievances and unfair labor practice charges.

(3) The Board shall develop policies and procedures to ensure that all confidential mediation information is maintained separately and insulated from access by members of the Board or other employees of the State Labor Relations Board so as to protect the integrity of the mediation process.

Sec. E.136.1 STATE ETHICS COMMISSION; REPORT

(a) On or before January 15, 2027, the State Ethics Commission shall report to the House Committee on Government Operations and Military Affairs, the Senate Committee on Government Operations, and the House and Senate Committees on Appropriations on its organizational structure, workload, and capacity.

(b) The report shall include information on the Commission's:

(1) current personnel and management structure with two full-time equivalents; and

(2) recommendations for reducing or eliminating duties given to it through prior legislative enactment to align its workload with its fiscal year 2027 personnel capacity.

Sec. E.136.2 STATE ETHICS COMMISSION; POSITION FUNDING

(a) The $150,000 General Fund and $214,306 internal service fund appropriated in Sec. B.136.1 of this act may be used by the State Ethics Commission for personal services costs for up to two full-time equivalents to

fund positions established at the Commission, including the Executive Director and the Staff Attorney established by Sec. E.100 of this act.

Sec. E.136.3 2024 Acts and Resolves No. 171 (2024 Ethics Act), Sec. 24, as amended by 2025 Acts and Resolves No. 44, Sec. 4, is further amended to read:

Sec. 24. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Sec. 13 (adding 3 V.S.A. § 1230, Commission procedure, rulemaking) shall take effect on July 1, ~~2027~~ 2028, except that the Commission may adopt rules under 3 V.S.A. § 1230(b) prior to July 1, 2028;

(2) Sec. 22 (creating Municipal Code of Ethics) shall take effect on January 1, 2025;

(3) Sec. 7 (amending 3 V.S.A. § 1221(a), describing expansion of Commission powers) shall take effect on ~~September 1, 2027~~ July 1, 2028;

(4) Sec. 8 (amending 3 V.S.A. § 1222; title redesignation) shall take effect on July 1, 2025;

(5) Sec. 9 (amending 3 V.S.A. § 1223, Commission procedure for accepting and referring complaints) shall take effect on September 1, 2025~~.~~;

(6) Secs. 10 (adding 3 V.S.A. § 1227, Commission investigations), 11 (adding 3 V.S.A. § 1228, Commission hearings), 12 (adding 3 V.S.A. § 1229, Commission warnings, reprimands, recommended actions, and agreements), and 14 (adding 3 V.S.A. § 1231, Commission public records regarding complaints) shall take effect on ~~September 1, 2027~~ July 1, 2028; and

(7) Sec. 1 (amending 17 V.S.A. § 2414, candidate disclosures) shall take effect on January 1, 2026.

Sec. E.136.4 2025 Acts and Resolves No. 44, Sec. 5 is amended to read:

Sec. 5. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Sec. 1 (amending 3 V.S.A. § 1223, Commission procedure for accepting and referring complaints) shall take effect on September 1, 2025, and shall supersede those provisions of 2024 Acts and Resolves No. 171, Sec. 9 that amended 3 V.S.A. § 1223 and that conflict with the language in this act;

(2) Sec. 2 (amending future version of 3 V.S.A. § 1223) shall take effect on ~~September 1, 2027~~ July 1, 2028; and

(3) Sec. 3 (amending 3 V.S.A. § 1231, Commission public records regarding complaints) shall take effect on ~~September 1, 2027~~ July 1, 2028, and shall supersede those provisions of 2024 Acts and Resolves No. 171, Sec. 14 that amended 3 V.S.A. § 1231 and that conflict with the language in this act.

Sec. E.138 RENTER REBATE FISCAL YEAR 2027 BASE INCREASE; ONE-TIME

(a) It is the intent of the General Assembly that the $4,000,000 increase to the appropriation in Sec. B.138 of this act be a one-time increase in fiscal year 2027 that shall not recur in future fiscal years.

Sec. E.139 GRAND LIST LITIGATION ASSISTANCE

(a) Notwithstanding 32 V.S.A. § 3709(a), of the appropriation in Sec. B.139 of this act, $70,000 shall be provided to the Department of Taxes' Division of Property Valuation and Review and used with any remaining funds from the amount previously transferred for final payment of expenses incurred by the Department or towns in defense of grand list appeals regarding the reappraisals of the hydroelectric plants and other expenses incurred to undertake utility property appraisals in Vermont.

Sec. E.139.1 TAX DEPARTMENT APPROPRIATION; PILOT FUND

(a) Notwithstanding 32 V.S.A. § 3709(a) or any other provision of law to the contrary, the appropriation in Sec. B.139 of this act shall be made from the PILOT Special Fund.

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 correctional facilities elsewhere in this act. Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

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

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

Sec. E.200 ATTORNEY GENERAL

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

retained shall be used to finance Medicaid Fraud and Residential Abuse Unit activities.

(b) Of the revenue available to the Attorney General under 9 V.S.A. § 2458(b)(4), $2,263,600 is appropriated in Sec. B.200 of this act.

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 of this act, $35,000 shall be available to the Southern Vermont Wilderness Search and Rescue Team, which is composed of the State Police, the Department of Fish and Wildlife, county sheriffs, and local law enforcement personnel in Bennington, Windham, and Windsor Counties, for snowmobile enforcement.

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

(c) Of the General Fund appropriation in Sec. B.209 of this act, $2,100,000 is allocated exclusively for the purchase, outfitting, assignment, and disposal of State Police vehicles.

Sec. E.209.1 20 V.S.A. § 1913a is added to read:

§ 1913a. VERMONT STATE POLICE RADIO EQUIPMENT AND FIREARM REPLACEMENT SPECIAL FUND

(a) Creation. There is created the Vermont State Police Radio Equipment and Firearm Replacement Special Fund, to be administered by the Department of Public Safety in accordance with 32 V.S.A. chapter 7, subchapter 5. Monies in the Fund shall be used for the purchase of Vermont State Police radio equipment and firearms in accordance with the life cycle replacement schedule as approved by the Commissioner of Public Safety.

(b) Funds. The Fund shall consist of:

(1) any amounts transferred to it by the General Assembly; and

(2) the proceeds from the sale of any existing radio equipment and firearms.

(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.

Sec. E.212 PUBLIC SAFETY; FIRE SAFETY

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

Sec. E.215 MILITARY; ADMINISTRATION

(a) Of the General Fund appropriation in Sec. B.215 of this act, $1,219,834 shall be disbursed to the Vermont Student Assistance Corporation for the Vermont National Guard Tuition Benefit Program established in 16 V.S.A. § 2857.

Sec. E.217 MILITARY; POSITION POOL; FEDERAL FUNDING

(a) Of the federal funds appropriated in Sec. B.217 of this act, $442,247 shall be the 75 percent federal share for the following six classified limited service positions to be taken from the position pool: four Military Maintenance Specialists II; one Military Building Construction Specialist; and one Military Storekeeper.

Sec. E.218 MILITARY; POSITION POOL; STATE FUNDING

(a) Of the General Fund appropriation in Sec. B.218 of this act, $147,411 shall be the 25 percent State share for the following six classified limited service positions to be taken from the position pool: four Military Maintenance Specialists II; one Military Building Construction Specialist; and one Military Storekeeper.

Sec. E.219 MILITARY; VETERANS' AFFAIRS

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

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

(a) The Secretary of State shall grant the $1,800,000 General Fund appropriation provided in Sec. B.232 of this act to the Vermont Access Network to maintain current operations and programming.

Sec. E.233 30 V.S.A. § 202d is amended to read:

§ 202d. TELECOMMUNICATIONS PLAN

* * *

(f) The Department shall adopt a new Plan every ~~three~~ five years pursuant to the procedures established in subsection (e) of this section. The Plan shall outline significant deviations from the prior Plan. For good cause or upon request by a joint resolution passed by the General Assembly, an interim review and revision of any section of the Plan may be made after conducting public hearings on the interim revision. At least one hearing shall be held jointly with committees of the General Assembly designated by the General Assembly for this purpose.

Sec. E.233.1 30 V.S.A. § 209 is amended to read:

§ 209. JURISDICTION; GENERAL SCOPE

* * *

(e) Thermal energy and process fuel efficiency funding.

(1) Each of the following shall be used to deliver thermal energy and process fuel energy efficiency services in accordance with this section for unregulated fuels to Vermont consumers of such fuels. In addition, the Commission may authorize an entity appointed to deliver such services under subdivision (d)(2)(B) of this section to use monies subject to this subsection for the engineering, design, and construction of facilities for the conversion of thermal energy customers using fossil fuels to district heat if the majority of the district's energy is from biomass sources, the district's distribution system is highly energy efficient, and such conversion is cost effective.

(A) Net revenues above costs associated with payments from the New England Independent System Operator (ISO-NE) for capacity savings resulting from the activities of the energy efficiency utility designated under subdivision (2)(A) of this subsection (e) ~~that are not transferred to the State PACE Reserve Fund under 24 V.S.A. § 3270(c)~~. These revenues shall be deposited into the Electric Efficiency Fund established by this section. In delivering services with respect to heating systems using the revenues subject to this subdivision (A), the entity shall give priority to incentives for the

installation of high efficiency biomass heating systems and shall have a goal of offering an incentive that is equal to 25 percent of the installed cost of such a system. Provision of an incentive under this subdivision (A) for a biomass heating system shall not be contingent on the making of other energy efficiency improvements at the property on which the system will be installed.

* * *

Sec. E.234 REPORT ON REGIONAL RENEWABLE ENERGY MARKET CONDITIONS; PUBLIC UTILITY COMMISSION

(a) On or before January 15, 2027, the Public Utility Commission shall prepare a written report on projected regional renewable electric generation market conditions. In developing the report, the Commission shall examine the cost and availability of new regional renewable electric generation resources during the years 2027–2035.

(b) In preparing the report, the Commission shall provide an opportunity for written input from interested stakeholders, including retail electricity providers, renewable energy developers, regional transmission organizations, consumer advocates, and any other members of the public. In addition, the Commission may consult with the Department of Public Service and other relevant state, regional, or federal entities, as the Commission deems appropriate. Preparation of the report is not subject to the contested case procedures established under 3 V.S.A. chapter 25.

(c) The Commission shall submit the report to the House Committees on Environment and on Energy and Digital Infrastructure and the Senate Committees on Finance and on Natural Resources and Energy.

Sec. E.236 HUMAN RIGHTS COMMISSION; POSITION POOL; FUNDING

(a) Of the funds appropriated in Sec. B.236 of this act, $130,000 General Fund shall be for a permanent, exempt Staff Attorney Investigator position to be taken from the position pool.

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

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

(1) $2,450,406 shall be for the contract with the Office of the Health Care Advocate;

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

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

Sec. E.300.1 HIGH-END SYSTEM FACILITIES FOR YOUTH

(a) At the August, October, and December 2026 meetings of the Joint Legislative Justice Oversight Committee, the Departments for Children and Families and of Buildings and General Services shall report on their plan to develop the Green Mountain Youth Facility.

(b) Notwithstanding any other provision of law to the contrary, before the Departments for Children and Families and of Buildings and General Services approve design documents for construction and prior to approval of the lease for the facility, the Department of Buildings and General Services shall submit their approved design to the House Committees on Corrections and Institutions and on Human Services and the Senate Committees on Institutions and on Health and Welfare. At the same time, the Department for Children and Families shall submit a draft operating budget.

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

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

(b) In addition to the State funds appropriated in Sec. B.301 of this act, a total estimated sum of $28,368,715 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) $25,158,000 certified State match available from local education agencies for eligible special education school-based Medicaid services under Global Commitment. This amount, combined with $34,842,000 of federal funds appropriated in Sec. B.301 of this act, equals a total estimated expenditure of $60,000,000. 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 School-Based Medicaid Reimbursement Special Fund created in 33 V.S.A. § 1904a.

(2) $3,210,715 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 $4,997,210 is transferred from the Agency of Human Services Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Sec. B.301 (Secretary's Office; Global Commitment) of this act.

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

(a) To facilitate fiscal year 2027 closeout, the Secretary of Human Services, with the approval of the Secretary of Administration, may make transfers among the appropriations authorized for Medicaid and Medicaid waiver program expenses, including Global Commitment appropriations outside the Agency of Human Services. At least three business days prior to any transfer, the Agency of Human Services shall submit to the Joint Fiscal Office a proposal of transfers to be made pursuant to this section. A final report on all transfers made under this section shall be made to the Joint Fiscal Committee for review at the Committee's September 2027 meeting. The purpose of this section is to provide the Agency with limited authority to modify the appropriations to comply with the terms and conditions of the Global Commitment to Health Section 1115 demonstration approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

Sec. E.301.2 2022 Acts and Resolves No. 83, Sec. 72a, as amended by 2022 Acts and Resolves No. 185, Sec. C.105, 2023 Acts and Resolves No. 78, Sec. E.301.2, 2024 Acts and Resolves No. 113, Sec. E.300.2, and 2025 Acts and Resolves No. 27, Sec. E.301.2, is further amended to read:

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

* * *

(f) The Global Commitment Fund appropriated in subsection (e) of this section obligated in fiscal years 2023, 2024, 2025, ~~and~~ 2026, and 2027 for the purposes of bringing HCBS plan spending authority forward into fiscal years 2024, 2025, ~~and~~ 2026, and 2027, respectively. The funds appropriated in subsections (b), (c), and (e) of this section may be transferred on a net-neutral basis in fiscal years 2023, 2024, 2025, ~~and~~ 2026, and 2027 in the same manner as the Global Commitment appropriations in 2022 Acts and Resolves No. 185, Sec. E.301. The Agency shall report to the Joint Fiscal Committee in September 2023, September 2024, September 2025, ~~and~~ September 2026, and September 2027, respectively, on transfers of appropriations made and final amounts expended by each department in fiscal years 2023, 2024, 2025, ~~and~~

2026, and 2027, respectively, and any obligated funds carried forward to be expended in fiscal years 2024, 2025, ~~and~~ 2026, and 2027, respectively.

Sec. E.301.3 GLOBAL COMMITMENT WAIVER AMENDMENT

(a) The Secretary of Human Services is authorized to seek an extension of Vermont's Global Commitment to Health Section 1115 Demonstration for the period of January 1, 2028, through December 31, 2032, from the Centers for Medicare and Medicaid Services.

Sec. E.306.1 MEDICARE ADVOCACY PROGRAM

(a) Effective July 1, 2026, the Commissioner of Vermont Health Access shall terminate any contract for services for the Medicare Advocacy Program under 33 V.S.A. chapter 67 consistent with the provisions of 33 V.S.A. § 6703(b).

Sec. E.306.2 DEPARTMENT OF VERMONT HEALTH ACCESS; POSITION POOL; FUNDING

(a) Of the funds appropriated in Sec. B.306 of this act, $497,077 of General Fund and $497,077 of federal funds shall be for the following permanent, classified positions to be taken from the position pool: one Health Care Assistant Administrator I; one Digital Communications Specialist II; one Business Project Manager; four Vermont Healthcare Service Specialist I's; and five Vermont Healthcare Service Specialist II's.

Sec. E.306.3 DEPARTMENT OF VERMONT HEALTH ACCESS; PAYMENTS TO PROVIDERS IN PRIMARY CARE PLUS PROGRAM

(a) In order to preserve access to primary care services, the Department of Vermont Health Access shall provide enhanced primary care rates and enhanced encounter rates, as applicable, to primary care providers in fiscal year 2027.

Sec. E.307 DEPARTMENT OF VERMONT HEALTH ACCESS; EDUCATION MEDICAID RECEIPTS

(a) Notwithstanding any provision of 16 V.S.A. § 2959a to the contrary, the payments ordinarily made by the Secretary of Education pursuant to 16 V.S.A. § 2959a(c) and (d) shall instead be made by the Commissioner of Vermont Health Access.

Sec. E.307.1 33 V.S.A. § 1900 is amended to read:

§ 1900. DEFINITIONS

As used in this subchapter, unless otherwise indicated:

* * *

(12) "Supervisory union" has the same meaning as in 16 V.S.A. § 11 and includes a supervisory district.

Sec. E.307.2 33 V.S.A. § 1904 is added to read:

§ 1904. MEDICAID SCHOOL-BASED SERVICES PROGRAM

(a)(1) It is the intent of the General Assembly that the State of Vermont maximize its receipt of federal reimbursement for medically related services provided to students who are eligible under Title XIX (Medicaid) of the Social Security Act.

(2) It is also the intent of the General Assembly that Vermont's School-Based Medical Assistance Program shall comply with all federal Medicaid requirements. As the State Medicaid agency, the Agency of Human Services shall have sole responsibility for determining and maintaining program compliance.

(b) The Agency of Education shall be responsible for coordination of the School-Based Medical Assistance Program with statewide education policy and objectives and for communicating with supervisory unions.

(c) The Agency of Human Services shall adopt rules in accordance with 3 V.S.A. chapter 25 to identify the services that are available through the School-Based Medical Assistance Program and to set forth the requirements for supervisory union participation. The rules shall include State and federal requirements for:

(1) Medicaid reimbursement;

(2) participation in a Random Moment Time Study and an electronic health records system;

(3) Medicaid cost reports;

(4) provider enrollment and trainings;

(5) service documentation;

(6) Medicaid eligibility; and

(7) any other provisions necessary for compliance with the Medicaid program.

(d)(1) The Agency of Human Services shall support supervisory unions by funding and providing the technical elements of the Program necessary for federal compliance.

(2) Supervisory unions delivering medically related services pursuant to the Medicaid School-Based Services Program shall participate in a Random Moment Time Study and an electronic health records system as directed by the Agency of Human Services to enable Medicaid billing of direct health services and Medicaid administrative claiming activities.

Sec. E.307.3 33 V.S.A. § 1904a is added to read:

§ 1904a. SCHOOL-BASED MEDICAID REIMBURSEMENT FUND

(a) The School-Based Medicaid Reimbursement Fund is established as a special fund to receive federal reimbursements for medically related services delivered pursuant to the Medicaid school-based services program described in section 1904 of this chapter. Monies received by the State pursuant to this section shall be transferred to the School-Based Medicaid Reimbursement Fund, which shall be administered by the Agency of Human Services, and Fund receipts shall be allocated in accordance with this section.

(b) The Department of Vermont Health Access shall pay 55 percent of the federal reimbursement monies generated by the medically related services delivered in each supervisory union pursuant to the Medicaid school-based services program to the supervisory union based on the Medicaid cost reports, service claims, and Medicaid administrative costs submitted by the supervisory union.

(c)(1) Up to 25 percent of the federal reimbursement monies generated by services delivered pursuant to the Medicaid school-based services program shall be available for the administrative costs of the Agencies of Education and of Human Services related to the collection, operations, and reporting of school-based medical assistance programs and statewide programs.

(2) The Agencies shall enter into a memorandum of understanding setting forth the processes by which Medicaid reimbursement monies available for administrative costs and statewide programs are allocated to the Agencies.

(3) The Secretaries of Education and of Human Services shall expend monies from the Fund only as appropriated by the General Assembly. The provisions of 32 V.S.A. § 511 shall not apply to this Fund.

(d) At the close of each fiscal year, the Commissioner of Finance and Management shall transfer to and deposit any unencumbered available cash balance remaining in the School-Based Medicaid Reimbursement Fund net of accounts payable into the Education Fund.

Sec. E.307.4 33 V.S.A. § 1904a is amended to read:

§ 1904a. SCHOOL-BASED MEDICAID REIMBURSEMENT FUND

* * *

(c)(1) Up to ~~25~~ 20 percent of the federal reimbursement monies generated by services delivered pursuant to the Medicaid school-based services program shall be available for the administrative costs of the Agencies of Education and of Human Services related to the collection, operations, and reporting of school-based medical assistance programs and statewide programs.

* * *

Sec. E.307.5 16 V.S.A. § 2959a is amended to read:

§ 2959a. ~~EDUCATION MEDICAID RECEIPTS~~ MEDICAID SCHOOL-BASED SERVICES PROGRAM; SUPERVISORY UNIONS AND SUPERVISORY DISTRICTS; LEGISLATIVE INTENT

~~(a)~~ It is the intent of the General Assembly that the State of Vermont ~~shall~~ maximize its receipt of federal ~~Medicaid dollars available for~~ reimbursement ~~of~~ for medically related services provided to students who are ~~Medicaid~~ eligible under Title XIX (Medicaid) of the Social Security Act. It is further the intent of the General Assembly that:

(1) each supervisory union identify special education and other students eligible for Medicaid reimbursement and, to the extent possible, submit ~~Medicaid bills for services reimbursement~~ Medicaid-compliant cost reports and service claims; and

(2) the Agencies of Education and of Human Services work with local school districts to maximize reimbursements, including services to non-IEP students.

~~(b) A Medicaid Reimbursement Special Fund is established within the Agency of Education. Funds received by the State under this section shall be transferred to the Medicaid Reimbursement Special Fund. The Fund receipts shall be allocated in accordance with this section.~~

~~(c) At least annually, the Secretary of Education shall pay to each supervisory union submitting Medicaid bills under this section 50 percent of the reimbursed funds generated by the supervisory union's bill, excluding claims generated by State-placed students. Unless the supervisory union has agreed to use the funds to operate a supervisory unionwide program or to distribute the funds in a different manner, upon receipt, the supervisory union shall distribute the funds to its member school districts based on how the funds were generated. The Secretary may withhold payment due a supervisory~~

~~union pursuant to section 2950 of this title for a Medicaid-eligible State-placed student if the supervisory union has not submitted a Medicaid claim for reimbursable services for that student.~~

~~(d) If the amount of Medicaid reimbursement funds received for services provided in the prior State fiscal year exceeds $25,000,000.00, in addition to the 50 percent of the funds paid to supervisory unions submitting Medicaid bills, 25 percent of the amounts in excess of the $25,000,000.00 shall be paid into an incentive fund created in the Agency of Education. These funds shall be used for an incentive payment to supervisory unions with student participation rates of over 80 percent in accordance with a formula to be developed by the Agency, in consultation with the Vermont Superintendents Association. For any incentive payments made subsequent to fiscal year 2007, the $25,000,000.00 threshold of this subsection shall be increased by the percentage increase of the most recent New England Economic Project Cumulative Price Index, as of November 15, for state and local government purchases of goods and services from fiscal year 2005 through the fiscal year for which the payment is being determined, plus an additional one-tenth of one percent.~~

~~(e) Supervisory unions shall use funds received under this section to pay for reasonable costs of administering the Medicaid claims process, and school districts or supervisory unions shall use funds received under this section for prevention and intervention programs in prekindergarten through grade 12. The programs shall be designed to facilitate early identification of and intervention with children with disabilities and to ensure all students achieve rigorous and challenging standards approved and adopted by the State Board or locally adopted standards. A supervisory union shall provide annual written justification to the Secretary of Education on how it or its member districts used the funds. Such annual submission shall show how the funds' use is expressly linked to those provisions of the supervisory union's action plan that directly relate to improving student performance. A supervisory union shall include in its annual report the amount of the prior year's Medicaid reimbursement revenues and the use of Medicaid funds consistent with the purposes set forth in this subsection.~~

~~(f) Up to 30 percent of Medicaid reimbursements received under this section shall be available for administrative costs of the Agencies of Education and of Human Services related to the collection, processing, and reporting of education Medicaid reimbursements and statewide programs. The Secretaries of Education and of Human Services shall expend monies from the Fund only as appropriated by the General Assembly.~~

~~(g) Remaining reimbursed funds shall be deposited into the Education Fund.~~

Sec. E.307.6 STAKEHOLDER ENGAGEMENT IN IMPLEMENTATION OF CHANGES TO MEDICAID SCHOOL-BASED SERVICES PROGRAM

(a) The Agency of Human Services shall collaborate with the Agency of Education, Vermont Association of School Business Officials, Vermont Council of Special Education Administrators, and school district officials in implementing changes to the Medicaid school-based services program in accordance with this act, including:

(1) providing structured opportunities for input during the phased implementation process in order to address challenges and risks in a timely manner and minimize disruptions; and

(2) focusing on geographic diversity to ensure that the implementation process is responsive to regional variations in needs and capacity.

Sec. E.307.7 SPECIAL FUND BALANCE TRANSFER

(a) Any outstanding fund balances, assets, or liabilities remaining in the Medicaid Reimbursement Special Fund established pursuant to 16 V.S.A. § 2959a shall be transferred to the School-Based Medicaid Reimbursement Fund established pursuant to 33 V.S.A. § 1904a prior to the elimination of the Medicaid Reimbursement Special Fund by Sec. E.307.5 of this act.

Sec. E.307.8 DEPARTMENT OF VERMONT HEALTH ACCESS; FAMILY PLANNING CODE IMPLEMENTATION; REPORT

(a) On or before September 15, 2026, the Department of Vermont Health Access shall review its implementation of family planning codes in the Medicaid program to ensure that all expenditures for family planning services and supplies that are eligible for federal match at a 90 percent federal medical assistance percentage are receiving that enhanced rate.

(b) On or before October 1, 2026, the Department shall provide a progress report to the Health Reform Oversight Committee and the Joint Fiscal Committee on:

(1) the Department's findings to date from its review;

(2) an estimate of any reductions in General Fund expenditures that can be realized by maximizing usage of the family planning codes to obtain the 90 percent federal match for qualifying services and supplies; and

(3) proposals for ways in which the estimated savings can be reinvested into rate increases for family planning services and supplies as part of the fiscal year 2027 budget adjustment.

Sec. E.311 2020 Acts and Resolves No. 155, Sec. 7a, as amended by 2021 Acts and Resolves No. 74, Sec E.311.2, is further amended to read:

Sec. 7a. ~~SUNSET~~

~~18 V.S.A. § 33 (medical students; primary care) is repealed on July 1, 2027.~~ [Deleted.]

Sec. E.312 HEALTH; PUBLIC HEALTH

(a) HIV/AIDS funding:

(1) In fiscal year 2027 and as provided in this section, the Department of Health shall provide grants in the amount of $475,000 in AIDS Medication Rebates special funds to the Vermont AIDS service and peer-support organizations for client-based support services. The Department of Health AIDS Program shall meet at least quarterly with the Community Advisory Group with current information and data relating to service initiatives. The funds shall be allocated according to a request for proposal process.

(2) In fiscal year 2027 and as provided by this section, the Department of Health shall provide grants in the amount of $340,000 from the General Fund for HIV and Harm Reduction Services to the following organizations:

(A) Vermont CARES: $165,000;

(B) AIDS Project of Southern Vermont: $115,000; and

(C) HIV/HCV Resource Center: $60,000.

(3) Ryan White Title II funds for AIDS services and the Vermont Medication Assistance Program shall be distributed in accordance with federal guidelines. The federal guidelines shall not apply to programs or services funded solely by the General Fund.

(A) The Secretary of Human Services shall immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in the Vermont Medication Assistance Program to assist all eligible individuals. The Secretary shall work in collaboration with persons living with HIV/AIDS to develop a plan to continue access to Vermont Medication Assistance Program medications until such time as the General Assembly can take action.

(B) As provided in this section, the Secretary of Human Services shall work in collaboration with the Vermont Medication Assistance Program Advisory Committee, which shall be composed of not less than 50 percent of

members who are living with HIV/AIDS. If a modification to the Program's eligibility requirements or benefit coverage is considered, the Committee shall make recommendations regarding the Program's formulary of approved medication, related laboratory testing, nutritional supplements, and eligibility for the Program.

(4) In fiscal year 2027, the Department of Health shall provide grants in the amount of $400,000 from the General Fund for HIV and Harm Reduction Services on or before September 1, 2026. 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 2027, 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 HIV/AIDS services to levels below those in fiscal year 2026 without receiving prior approval from the Joint Fiscal Committee.

Sec. E.313 18 V.S.A. § 4812 is amended to read:

§ 4812. SUBSTANCE MISUSE PREVENTION SPECIAL FUND

(a) The Substance Misuse Prevention Special Fund is established and managed by the Vermont Department of Health in accordance with 32 V.S.A. chapter 7, subchapter 5 for the purpose of funding substance misuse prevention programming, including school-based prevention programming.

(b) Thirty percent of the revenues raised by the cannabis excise tax imposed pursuant to 32 V.S.A. § 7902, not to exceed $10,000,000.00 per fiscal year, shall be deposited into this fund ~~for substance misuse prevention costs~~.

* * *

Sec. E.313.1 REPORT; RECOVERY RESIDENCES AND RECOVERY CENTERS; INFLATION

(a) As part of its fiscal year 2028 budget presentation, the Department of Health shall present the following information to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare:

(1) base appropriations to recovery residences and recovery centers during the previous 10 fiscal years; and

(2) what each of those base appropriations would have been had each kept up with inflation.

Sec. E.316 REPORT; REACH UP

(a) On or before January 15, 2027, 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 Reach Up Program, including any inefficiencies or gaps in services; an actionable, phased plan that estimates the amount needed to remove the ratable reduction in the Reach Up program; and any recommendations for legislative action.

Sec. E.316.1 33 V.S.A. § 3702 is amended to read:

§ 3702. FUNDING

(a) The Secretary of Human Services shall disperse a joint allocation for all parent child center services to the Parent Child Center Network, which shall distribute funding to each authorized parent child center.

(b) The Agency shall consult with the Parent Child Center Network to develop appropriate measures and methods of accountability for authorized members of the Network. The Network and authorized parent child centers shall provide any previously agreed upon information to enable the Secretary to evaluate the services provided through grant funds, the effect of services on consumers, and an accounting of the expenditure of grant funds.

(c) Annually, as part of its budget presentation, the Agency shall inform the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare of the cost of adding a one percent base increase over the previous fiscal year's base appropriation for the Parent Child Center Network.

Sec. E.316.2 REPORT; PARENT CHILD CENTERS; INFLATION

(a) As part of its fiscal year 2028 budget presentation, the Department for Children and Families shall present the following information to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare:

(1) base appropriations to the Parent Child Center Network during the previous 10 fiscal years; and

(2) what each of those base appropriations would have been had each kept up with inflation.

Sec. E.316.3 SNAP AND MEDICAID REQUIREMENTS; REPORTING

(a) In fiscal year 2027, the Agency of Human Services shall report to the Joint Fiscal Committee on the implementation of federal H.R.1 SNAP work requirements and, to the extent applicable, Medicaid work requirements.

(1) On or before September 15, 2026, with regard to SNAP benefits, the Agency shall submit a report that includes to the extent practicable:

(A) the number of individuals who have become ineligible for benefits or experienced a loss or reduction in benefits due to federal changes to work requirements, including specifically by adults between 55 and 64 years of age, individuals experiencing homelessness, and adults with a child between 14 and 18 years of age;

(B) the number of individuals who lost benefits due to federal changes to work requirements and immediately reapplied for benefits and any related administrative costs;

(C) the estimated total amount of benefit loss to individuals due to federal changes to work requirements;

(D) the reasons individuals are determined ineligible for benefits;

(E) the Agency's use of discretionary exemptions, including those expiring in September 2026, and the remaining balance to offset benefit loss and reductions;

(F) the number of individuals who received assistance from the Agency due to federal changes to work requirements, including the number of individuals who did not lose or experience a reduction in benefits after receiving assistance from the Agency;

(G) payment error rate percentages for the current federal fiscal year, including an analysis on Agency and client errors; and

(H) any other pertinent information.

(2) On or before March 1, 2027, with regard to Medicaid, the Agency shall submit a report that includes to the extent practicable:

(A) the number of individuals who are subject to work requirements due to federal changes;

(B) the number of individuals each month who were required to re-enroll from January through June of 2026;

(C) the number of individuals each month who will be required to re-enroll from January through June of 2027;

(D) an outline of the Agency's plan for automating data-matching for eligibly redeterminations and assessing compliance with work requirements; and

(E) a summary of the two-year plan to recertify Vermont Medicaid providers, including a list and timeline for providers requiring recertification and any changes in Vermont Medicaid.

(3) Both reports shall also include:

(A) information regarding outreach, stakeholder coordination, and other efforts undertaken to support impacted households and community partners in assisting households to obtain and maintain benefits, including the provision of sample notices, automated calls, text scripts, and other communications with individuals; and

(B) the number of applications supported by outreach partners, benefit assisters, or other community service providers.

(4) In calendar years 2027 and 2028, the Agency shall, on a quarterly basis, provide an update to the reports required by this subsection to the House Committees on Appropriations, on Health Care, and on Human Services and the Senate Committees on Appropriations and on Health and Welfare while the General Assembly is in session and to the Joint Fiscal Committee while the General Assembly is not in session.

Sec. E.316.3 33 V.S.A. § 1703 is amended to read:

§ 1703. CHANGES TO PROGRAM ADMINISTRATION

(a)~~(1)~~ The Department shall report to the Chairs of the House Committee on Human Services and the Senate Committee on Health and Welfare ~~and~~, community partners under contract with the Department to provide outreach services, federally authorized retailers operating in Vermont, any other interested stakeholders, and, if the General Assembly is adjourned, the Joint Fiscal Committee, within 30 days after any substantive change in the federal law governing SNAP that:

~~(A)~~(1) restricts or improves eligibility;

~~(B)~~(2) increases or reduces barriers or creates or eliminates hardships to access; ~~or~~

(3) identifies anticipated impacts on the administrative burden or costs to the Department, community partners under contract with the Department to provide outreach services, or federally authorized retailers operating in Vermont; or

~~(C)~~(4) inhibits or increases benefit usage.

~~(2)~~(b) ~~Within~~ Not less than 90 days ~~after~~ prior to the implementation of a substantive voluntary change ~~described pursuant to subdivision (1) of this subsection~~ to Vermont's SNAP program, the Department shall ~~provide an~~

~~analysis to the Chairs of any anticipated administrative costs to the Department and any impacts on SNAP applicants and participants as a result of the change.~~:

(1) convene a meeting with community partners under contract with the Department to provide outreach services, federally authorized retailers operating in Vermont, and any other interested stakeholders to describe the proposed change to Vermont's SNAP program, including the anticipated impact on eligibility, benefit level, administrative burden or costs, and any other relevant impact of the proposed change; and

(2) consult with and consider input from community partners under contract with the Department to provide outreach services, federally authorized retailers operating in Vermont, and any other interested stakeholders on the impacts of the Department's voluntary change to Vermont's SNAP program.

~~(b) The Commissioner may convene a meeting of interested stakeholders to discuss a change listed in subsection (a) of this section.~~

Sec. E.316.4 DEPARTMENT FOR CHILDREN AND FAMILIES ADMINISTRATION; VERMONT HOMELESSNESS RESPONSE CONTINUUM BASE FUNDING

(a) Of the General Fund appropriation in Sec. B.316 of this act, $1,100,000 shall be for staffing, grants, and contracts relating to the implementation of the Vermont Homelessness Response Continuum.

(b) Any spending authority designated for the purposes provided in subsection (a) of this section that remains unexpended at the end of fiscal year 2027 shall be carried forward for the same purpose for which it was originally designated.

Sec. E.317 SUPERVISED VISITATION PROGRAMS

(a)(1) $137,500 of the General Fund appropriation in Sec. B.317 of this act, the $130,000 General Fund appropriation in Sec. B.1100(c)(5) of this act, and $100,000 of the federal funds appropriation in Sec. B.317 of this act shall be granted by the Department for Children and Families to supervised visitation programs as follows:

(A) $367,500 to the six existing community-based supervised visitation sites.

(2) The Department shall work with the Vermont Network Against Domestic Violence and Sexual Violence to develop a funding formula for supervised visitation sites, to identify the community partners to develop two new supervised visitation sites during fiscal year 2027, and to begin planning

for the creation of four additional supervised visitation sites, two each to become operational beginning in fiscal years 2028 and 2029.

Sec. E.318 CHILD CARE; TUITION RATES

(a) Notwithstanding 33 V.S.A. § 3517, in fiscal year 2027, the Commissioner for Children and Families may authorize a nonprofit child care provider that did not rebase tuition rates pursuant to 2023 Acts and Resolves No. 76 to increase annual tuition in excess of 1.5 times the most recent annual increase in NAICS Code 611, Educational Services, upon a finding of financial hardship. Prior to authorization, the Commissioner shall determine that the child care provider has experienced a loss of revenue and is reasonably likely to continue to experience a loss of revenue absent the requested tuition increase. The child care provider shall furnish any information requested by the Commissioner in support of such a determination.

Sec. E.321 END HOMELESSNESS VERMONT; GRANT; HOMELESSNESS RESPONSE CONTINUUM

(a) The General Assembly finds that:

(1) Vermont ranks fourth per capita in the United States for homelessness;

(2) Vermont's unhoused population has risen dramatically since the COVID-19 pandemic;

(3) Vermont's shelter, housing, and supportive services capacity is insufficient to meet the needs of its unhoused population;

(4) repeated changes in program scope and eligibility requirements for programs, including emergency housing provided through General Assistance program, have made it difficult for Vermonters seeking housing assistance to access and maintain support;

(5) the Vermont Homelessness Response Continuum may not be fully implemented in fiscal year 2027; and

(6) End Homelessness Vermont has provided essential services to unhoused Vermonters, including service navigation and coordination from crisis through housing stability, technical assistance, and concrete supports.

(b) It is the intent of the General Assembly that the grant to End Homelessness Vermont in Sec. B.1100(c)(4) of this act support its continued statewide work of providing essential services to individuals living with complex needs and disabilities who are experiencing homelessness or housing insecurity.

Sec. E.321.1 DEPARTMENT FOR CHILDREN AND FAMILIES GENERAL ASSISTANCE; VERMONT HOMELESSNESS RESPONSE CONTINUUM BASE FUNDING

(a) Of the General Fund appropriation in Sec. B.321 of this act, $9,251,120 shall be for emergency housing in hotels and motels relating to the implementation of the Vermont Homelessness Response Continuum.

(b) Any spending authority designated for the purposes provided in subsection (a) of this section that remains unexpended at the end of fiscal year 2027 shall be carried forward for the same purpose for which it was originally designated.

(c) Any spending authority designated for General Assistance emergency housing that remains unexpended at the end of fiscal year 2026 shall be carried forward for investment in the Vermont Homelessness Response Continuum in fiscal year 2027.

Sec. E.322 33 V.S.A. § 2605 is amended to read:

§ 2605. BENEFIT AMOUNTS

* * *

(h) ~~Households~~ A household receiving benefits from 3SquaresVT ~~whose head of household~~ that is not otherwise eligible for a fuel benefit under this section shall be eligible for a nominal annual Home Heating Fuel Assistance benefit of $21.00 if a member of the household is elderly or disabled under the Supplemental Nutrition Assistance Program regulations.

Sec. E.323 REACH FIRST; REPEAL

(a) 33 V.S.A. chapter 10 (Reach First) is repealed.

Sec. E.325 DEPARTMENT FOR CHILDREN AND FAMILIES; OFFICE OF ECONOMIC OPPORTUNITY

(a) Of the General Fund appropriation in Sec. B.325 of this act, $38,251,696 shall be used by the Department for Children and Families' Office of Economic Opportunity to issue grants to community agencies to assist individuals experiencing homelessness by preserving existing services, increasing services, or increasing resources available statewide. These funds may be granted alone or in conjunction with federal Emergency Solutions Grants funds. Grant decisions and the administration of funds shall be done in consultation with the two U.S. Department of Housing and Urban Development–recognized Continuum of Care programs.

Sec. E.325.1 DEPARTMENT FOR CHILDREN AND FAMILIES OFFICE OF ECONOMIC OPPORTUNITY; VERMONT HOMELESSNESS RESPONSE CONTINUUM BASE FUNDING

(a) Of the appropriations in Sec. B.325 of this act, $38,251,696 General Fund, $830,422 federal funds, and $202,488 Global Commitment shall be for Housing Opportunity Grant Program operations, $778,987 General Fund and $3,421,013 Global Commitment shall be for permanent supportive housing and family supportive housing, $500,000 General Fund shall be for the Community Resource Center, $2,400,000 General Fund shall be for case management, $3,000,000 General Fund shall be for rental assistance, $1,400,000 General Fund shall be for shelter development, and $314,618 federal funds shall be for other expenses relating to the implementation of the Vermont Homelessness Response Continuum.

(b) Any spending authority designated for the purposes provided in subsection (a) of this section that remains unexpended at the end of fiscal year 2027 shall be carried forward for the same purpose for which it was originally designated.

(c) Any spending authority designated for the Housing Opportunity Grant Program that remains unexpended at the end of fiscal year 2026 shall be carried forward for investment in the Vermont Homelessness Response Continuum in fiscal year 2027.

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 DESIGNATED AND SPECIALIZED SERVICE AGENCIES; WORKING GROUP; ENGAGEMENT PROCESS; REPORT

(a) In fiscal year 2027, the Agency of Human Services, in collaboration with Vermont Care Partners, shall convene a working group to support the ongoing coordination and a shared understanding of the designated and specialized service agency support system, including the system's functioning and capacity. The Agency, Vermont Care Partners, and the working group shall meet at least twice during fiscal year 2027. The Agency and Vermont Care Partners shall jointly develop the agenda in advance of each meeting.

(1) The meetings may include a discussion of State and federal requirements, system operations and service delivery, workforce and provider capacity, fiscal pressures, administrative burden, the definition of essential

services, and the extent to which evolving community needs and system reforms have affected the responsibilities and long-term sustainability of designated and specialized service agencies.

(2) At the first meeting, the Agency and Vermont Care Partners shall develop a transparent process to communicate about and implement changes necessitated by State or federal requirements, including changes related to funding, staffing, operational feasibility, and service delivery.

(3) The working group shall discuss alignment with the State's health care delivery system planning efforts, including ongoing hospital and health system transformation work.

(4) On or before January 15, 2027, the Agency of Human Services, in collaboration with Vermont Care Partners, shall provide an update to the House Committees on Appropriations, on Health Care, and on Human Services and the Senate Committees on Appropriations and on Health and Welfare regarding the activities of the working group.

(b) On or before January 15, 2028, the Department of Disabilities, Aging and Independent Living, in consultation with the Departments of Health and of Mental Health and the Office of Health Care Reform, shall submit a plan to the House Committees on Appropriations, on Health Care, and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare for developing and conducting a data-informed, patient-focused, community-inclusive engagement process for Vermont's designated and specialized service agencies that conforms with the Statewide Health Delivery Strategic Plan developed pursuant to 18 V.S.A. § 9403. Development of the plan shall include participation by individuals who reflect Vermont's diversity with regard to race, income, age, and disability status. Specifically, the plan shall include:

(1) hearing from and sharing data, information, trends, and insights with communities about the current and future states of the designated and specialized service agencies;

(2) providing opportunities for meaningful participation in all stages of the engagement process by current, former, and prospective clients of the designated and specialized service agencies and health care providers, including employees of designated and specialized service agencies;

(3) providing the data, information, and analysis necessary to support the engagement process, including information and trends relating to the current and future states of the designated and specialized service agencies and the workforce challenges encountered by the agencies; and

(4) establishing mechanisms to assess the impact of any changes on the designated and specialized service agencies, including on workforce recruitment and retention initiatives.

(c) As part of its fiscal year 2027 budget adjustment presentation, the Department of Disabilities, Aging and Independent Living may include a request for an appropriation to hire one or more consultants to support the engagement process recommended pursuant to subsection (b) of this section.

Sec. E.329.1 CHOICES FOR CARE; FISCAL YEAR 2028 BUDGET

(a) As part of its fiscal year 2028 budget presentation, the Department of Disabilities, Aging, and Independent Living shall report to the House Committee on Human Services, the Senate Committee on Health and Welfare, and the House and Senate Committees on Appropriations on appropriations for the Choices for Care Program in the prior five fiscal years, including detailed information on expenditures for home- and community-based services and skilled nursing facility services.

Sec. E.329.2 DEPARTMENT OF DISABILITIES, AGING AND INDEPENDENT LIVING; POSITION POOL; FUNDING

(a) Of the funds appropriated in Sec. B.329 of this act, $130,000 General Fund shall be for a permanent, classified Disabilities Housing Coordinator position to be taken from the position pool.

Sec. E.338 CORRECTIONS; CORRECTIONAL SERVICES

(a) Notwithstanding 32 V.S.A. § 3709(a), the special fund 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.500 AGENCY OF EDUCATION; BUDGET PRESENTATIONS

(a) As part of its fiscal year 2027 budget adjustment and fiscal year 2028 budget presentations, the Agency of Education shall include:

(1) a comprehensive account of fiscal year 2027 appropriations, including information on amounts expended or obligated at the time of the presentation's submission;

(2) a comprehensive account of anticipated fiscal year 2027 carryforward, including information on the reasons for expenditures being lower than anticipated;

(3) information on all third-party contract agreements the Agency entered into in fiscal year 2027;

(4) organizational charts reflecting the current structure of the Agency and each division within the Agency;

(5) written explanation of any changes to the Agency's organizational structure and personnel;

(6) a comprehensive account of any vacancies within the Agency, including information on the duration of each position vacancy and any recommendations for the elimination or redesignation of positions; and

(7) information on any changes to federal funding, rules, or policy that may affect the Agency and any action the Agency has taken or may take to address those changes.

Sec. E.500.1 EDUCATION; GLOBAL COMMITMENT

(a) The Global Commitment appropriation in Sec. B.501 of this act shall be used for physician claims for determining medical necessity of Individualized Education Programs. These services are intended to increase access to quality health care for uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.500.2 2025 Acts and Resolves No. 73, Sec. 33 is amended to read:

Sec. 33. EDUCATION TRANSFORMATION; POOL POSITIONS

The General Fund appropriation in Sec. 32 of this act shall fund five ~~limited service~~ permanent classified positions taken from the position pool. The pool positions shall be used to establish the following ~~limited service~~ permanent classified positions at the Agency of Education in fiscal year 2026 to support education transformation work:

(1) one Business Operations Support Specialist;

(2) one Data Integration Support Specialist;

(3) one Curriculum and Education Quality Standards Integration Specialist;

(4) one Learning and Teaching Integration Specialist; and

(5) one School Facilities Field Support Specialist.

Sec. E.500.3 16 V.S.A. § 51 is amended to read:

§ 51. UNIVERSAL AFTERSCHOOL AND SUMMER SPECIAL FUND

(a) The Universal Afterschool and Summer Special Fund is created, to be managed by the Agency of Education. The cannabis sales tax revenue shall be deposited into the Universal Afterschool and Summer Special Fund. The Fund shall be used as follows:

(1) To establish a grant program that supports the expansion of universal afterschool and summer programs with a focus on underserved areas of the State.

(2) Cannabis sales tax revenue shall be used to support a mixed delivery system for afterschool and summer programming. Eligible recipients can be public, private, or nonprofit organizations.

(A) Grants may be used for technical assistance, program implementation, program expansion, program sustainability, and related costs.

(B) Funds may be used to directly target communities with low existing capacity to serve youth in afterschool and summer settings.

(C) The award of grants and any subsequent contract or written agreement issued pursuant to the award of a grant shall require that a grantee does not discriminate, and prohibits its employees, agents, subcontractors, and other service providers from discriminating, on the basis of race, creed, color, national origin, marital status, sex, sexual orientation, gender identity, or disability.

(D) The Agency may use up to ~~$500,000.00~~ five percent of annually forecasted revenues for administrative costs to allow for the support of the grant program and technical assistance to communities. This could include subcontracts to support the grant program.

* * *

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 $5,336,200 shall be used by the Agency of Education in fiscal year 2027 as funding for 16 V.S.A. § 2967(b)(2)–(6). In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

(b) Of the appropriation authorized in Sec. B.502 of this act, and notwithstanding any other provision of law, an amount not to exceed $2,000,000 shall be used by the Agency of Education in fiscal year 2027 as funding for 16 V.S.A. § 2975. In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

Sec. E.503 EDUCATION; STATE-PLACED STUDENTS

(a) The Independence Place Program of ANEW Place shall be considered a 24-hour residential program for the purposes of reimbursement of education costs.

Sec. E.504 ADULT EDUCATION AND LITERACY

(a) Of the appropriation in Sec. B.504 of this act, $4,349,673 General Fund shall be granted to adult education and literacy providers, pursuant to the Adult Education and Secondary Credential Program established in 16 V.S.A. § 945.

Sec. E.504.1 EDUCATION; FLEXIBLE PATHWAYS

(a) Notwithstanding 16 V.S.A. § 4025, of the Education Fund appropriation in Sec. B.504.1 of this act, the amount of:

(1) $921,500 is available for dual enrollment programs notwithstanding 16 V.S.A. § 944(f)(2);

(2) $2,400,000 is available to support the Vermont Virtual High School;

(3) $400,000 is available for secondary school reform grants;

(4) $4,200,000 is available for Early College pursuant to 16 V.S.A. § 947(b); and

(5) $2,899,782 is available for the Adult Education and Secondary Credential Program.

(b) Of the appropriation in Sec. B.504 of this act, $921,500 from the General Fund is available for dual enrollment programs.

Sec. E.504.2 16 V.S.A. § 4021 is added to read:

§ 4021. ADULT EDUCATION FUNDING

(a) Definitions. As used in this section:

(1) "Local adult education and literacy provider" has the same meaning as in section 942 of this title.

(2) "Statewide AEL student count" means the average annual number of students statewide who complete the diagnostic portions of the adult education and secondary credential program over the previous two completed fiscal years.

(3) "Statewide AEL student-hours" means the average annual number of student-hours of instruction provided statewide for adult education and literacy activities over the previous two completed fiscal years.

(b) Annual appropriation. Annually, the General Assembly shall appropriate funds to pay for adult education and literacy activities in an amount equal to 26 percent of the base education amount multiplied by the statewide AEL student count. The General Assembly shall appropriate 40 percent of the funds from the Education Fund and 60 percent of the funds from the General Fund.

(c) Payment allocations.

(1) Beginning in fiscal year 2029, the Secretary shall determine payments from the appropriation under subsection (b) of this section on a per-county basis according to this subdivision.

(A) The Secretary shall first allocate $80,000.00 to each county.

(B) The Secretary shall then allocate the remaining funds among the counties according to each county's share of the statewide AEL student count.

(2) Annually, the Secretary shall pay to each local adult education and literacy provider, as defined in section 942 of this title, that provides an adult education and secondary credential program the amount determined pursuant to this section for each county in which the local adult education and literacy provider provides the county's adult education and secondary credential program.

(3) For each of fiscal years 2027 and 2028, the Secretary shall determine payments from the appropriation under subsection (b) of this section on a per-county basis according to this subdivision.

(A) The Secretary shall first allocate $80,000.00 to each county.

(B) The Secretary shall then allocate among the counties 85 percent of the remaining funds according to each county's share of the statewide AEL student count and 15 percent of the remaining funds according to each county's share of the statewide AEL student-hours.

Sec. E.504.3 REPEAL

16 V.S.A. § 4021(c)(3) (adult education funding transition language) is repealed on July 1, 2028.

Sec. E.504.4 16 V.S.A. § 4011(f) is amended to read:

(f) ~~Annually, the Secretary shall pay to a local adult education and literacy provider, as defined in section 942 of this title, that provides an adult education and secondary credential program an amount equal to 26 percent of the base education amount for each student who completes the diagnostic portions of the adult education and secondary credential program, based on an average of the previous two completed fiscal years. Forty percent of the payment required~~

~~under this subsection shall be from State funds appropriated from the Education Fund and 60 percent of the payment required under this subsection shall be from State funds appropriated from the General Fund.~~ [Repealed.]

Sec. E.504.5 16 V.S.A. § 4021(b) is amended to read:

(b) Annual appropriation. Annually, the General Assembly shall appropriate funds to pay for adult education and literacy activities in an amount equal to 26 percent of the categorical base ~~education~~ amount multiplied by the statewide AEL student count. The General Assembly shall appropriate 40 percent of the funds from the Education Fund and 60 percent of the funds from the General Fund.

Sec. E.507.1 ENGLISH LANGUAGE LEARNERS; CATEGORICAL AID

(a) The funds appropriated in Sec. B.507.1 of this act shall be used to provide categorical aid to school districts for English Learner services, pursuant to 16 V.S.A. § 4013.

Sec. E.511.1 STATE BOARD OF EDUCATON; POSITION POOL; FUNDING

(a) Of the General Fund appropriated in Sec. B.511.1 of this act, $130,000 shall be for a limited service exempt position to be taken from the position pool.

Sec. E.514 VERMONT STATE TEACHERS' RETIREMENT SYSTEM

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the Vermont State Teachers' Retirement System shall be $220,905,084, of which $212,905,084 shall be the State's contribution and $8,000,000 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, $43,739,011 is the "normal contribution," and $177,166,073 is the "accrued liability contribution."

Sec. E.514.1 VERMONT STATE TEACHERS' RETIREMENT SYSTEM AND VERMONT PENSION INVESTMENT COMMISSION; OPERATING BUDGET; SOURCE OF FUNDS

(a) Of the $4,178,569 appropriated in Sec. B.514.1 of this act, $2,879,269 constitutes the Vermont State Teachers' Retirement System operating budget, and $1,299,300 constitutes the portion of the Vermont Pension Investment Commission's budget attributable to the Vermont State Teachers' Retirement System.

Sec. E.515 RETIRED TEACHERS' HEALTH CARE AND MEDICAL BENEFITS

(a) In accordance with 16 V.S.A. § 1944b(b)(2) and 16 V.S.A. § 1944b(h)(1), the annual contribution to the Retired Teachers' Health and Medical Benefits plan shall be $99,834,595, of which $90,834,595 shall be the State's contribution and $9,000,000 shall be from the annual charge for teacher health care contributed by employers pursuant to 16 V.S.A. § 1944d. Of the annual contribution, $30,987,156 is the "normal contribution," and $68,847,439 is the "accrued liability contribution."

Sec. E.600 UNIVERSITY OF VERMONT

(a) The Commissioner of Finance and Management shall issue warrants to pay 1/12 of the appropriation in Sec. B.600 of this act to the University of Vermont on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, $380,362 shall be transferred to the Experimental Program to Stimulate Competitive Research to comply with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.602 VERMONT STATE COLLEGES

(a) The Commissioner of Finance and Management shall issue warrants to pay 1/12 of the appropriation in Sec. B.602 of this act to the Vermont State Colleges on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, $427,898 shall be transferred to the Vermont Manufacturing Extension Center to comply with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.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 appropriation in Sec. B.603 of this act to support the dental hygiene, respiratory therapy, and nursing programs that graduate approximately 315 health care providers annually. These graduates deliver direct, high-quality health care services to Medicaid beneficiaries or uninsured or underinsured persons.

Sec. E.605 VERMONT STUDENT ASSISTANCE CORPORATION

(a) Of the funds appropriated to the Vermont Student Assistance Corporation in Sec. B.605 of this act:

(1) $25,000 shall be deposited into the trust fund established in 16 V.S.A. § 2845;

(2) not more than $400,000 may be used by the Vermont Student Assistance Corporation for a student aspirational initiative to serve one or more high schools; and

(3) not less than $1,000,000 shall be used to continue the Vermont Trades Scholarship Program established in 2022 Act and Resolves No. 183, Sec. 14.

(b) Of the funds appropriated to the Vermont Student Assistance Corporation in Sec. B.605 of this act that remain after accounting for the expenditures set forth in subsection (a) of this section, not less than 93 percent shall be used for direct student aid.

(c) After accounting for the expenditures set forth in subsection (a) of this section, up to seven percent of the funds appropriated to the Vermont Student Assistance Corporation in Sec. B.605 of this act or otherwise currently or previously appropriated to the Vermont Student Assistance Corporation or provided to the Vermont Student Assistance Corporation by an agency or department of the State for the administration of a program or initiative may be used by the Vermont Student Assistance Corporation for its costs of administration. The Vermont Student Assistance Corporation may recoup its reasonable costs of collecting the forgivable loans in repayment. Funds shall not be used for indirect costs. To the extent that any of these funds are federal funds, allocation for expenses associated with administering the funds shall be consistent with federal grant requirements.

Sec. E.605.1 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS

(a) Notwithstanding 16 V.S.A. § 4025, the $41,225 Education Fund and $41,225 General Fund appropriated to the Vermont Student Assistance Corporation in Sec. B.605.1 of this act is for dual enrollment and need-based stipend purposes to fund a flat-rate, need-based stipend or voucher program for financially disadvantaged students enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early college pursuant to 16 V.S.A. § 946 to be used for the purchase of books, cost of transportation, and payment of fees. The Vermont Student Assistance Corporation shall establish the criteria for program eligibility. Funds shall be granted to eligible students on a first-come, first-served basis until funds are depleted.

(b) On or before January 15, 2027, the Vermont Student Assistance Corporation shall report on the program to the House Committees on Appropriations and on Commerce and Economic Development and to the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs.

Sec. E.606 16 V.S.A. § 2885 is amended to read:

§ 2885. VERMONT HIGHER EDUCATION ENDOWMENT TRUST FUND

(a) A Vermont Higher Education Endowment Trust Fund is established in the Office of the State Treasurer to comprise the following:

(1) ~~appropriations~~ transfers made by the General Assembly;

* * *

Sec. E.700 3 V.S.A. § 2807 is amended to read:

§ 2807. LANDS AND FACILITIES TRUST FUND

(a) Legislative purpose. The General Assembly finds and determines:

(1) The public lands, facilities, and recreational assets of Vermont represent both a priceless inheritance from the past and an enduring legacy for future generations.

(2) The lands, facilities, and recreational assets owned or managed by the ~~Department of Forests, Parks and Recreation~~ Agency of Natural Resources are held as public assets for the citizens of Vermont, and require proper management to ensure that these natural resources and facilities remain viable and available for this and all future generations.

(b) Definitions. As used in this section:

(1) ~~"Commissioner" means the Commissioner of Forests, Parks and Recreation or the Commissioner's designee~~ "Secretary" means the Secretary of Natural Resources or the Secretary's designee.

(2) "Eligible activity" means any activity undertaken, initiated, or supported by the ~~Department of Forests, Parks and Recreation~~ Agency of Natural Resources, for State lands under the ownership of the Department of Forests, Parks and Recreation, that provides for the management of ~~State~~ lands, facilities, ~~and~~ recreational assets, including administrative support. "Eligible activity" includes but is not limited to: repair and maintenance of State parks; contract surveys and mapping; maintenance of State lands, including boundaries, roads, trails, and facilities; contract inventories of State land natural resources; repair of State-owned dams; ~~repair, replacement, and maintenance of conservation camps; and~~ timber management in accordance

with U.S.D.A. silvicultural guidelines; project management; contract development and administration; and business office support. "Eligible activity" does not include the acquisition of land.

(3) "Fund" means the Lands and Facilities Trust Fund.

(c) Creation and use of Fund.

(1) There is established in the State Treasury an income-producing fund to be known as the Lands and Facilities Trust Fund, to be managed by the State Treasurer, and from which expenditures shall be made by the ~~Commissioner~~ Secretary in accordance with appropriations by the General Assembly for the benefit of lands, facilities, and recreational assets owned or managed by the Agency. Payments from the Fund may be made to meet costs for eligible activities ~~that are not covered in operating budgets for management of Agency lands, facilities, and recreational assets~~.

(2) The Fund shall be administered as part of the trust investment account established in 32 V.S.A. § 434. After the first three years of the Fund's existence, on July 1 of each year, the Treasurer ~~shall~~ may distribute from the Fund ~~five~~ up to eight percent of the moving average of the market value of the Fund over the prior 12 quarters with the approval of the House and Senate, provided that the Fund balance does not go below the prior fiscal year's ending fund balance. Notwithstanding the foregoing, during the first three years of the Fund's existence, expenditures for immediate needs, not to exceed five percent of the principal, may be authorized by the ~~Commissioner~~ Secretary, provided that such expenditures are consistent with the priorities established by the ~~Commissioner~~ Secretary, pursuant to this section, and shall be subject to the approval of the General Assembly.

(3) ~~Annual expenditures from the Fund shall be limited to projects approved by the Commissioner and shall be in accordance with appropriations of the General Assembly. Project priorities shall be determined in accordance with criteria established by the Commissioner and shall include consideration of at least the following:~~ The Secretary may make expenditures from the Fund for eligible projects with a consideration towards cost; availability of funds; condition of the resource, facility, or infrastructure; level of use; level of public need; the stated intent of the donor, when donated property is involved; and the ability to protect or enhance a public investment or public resource.

(4) There shall be deposited in the Fund monies received by the Agency that are related to management and administrative support of Agency lands, facilities, and recreational assets and that are received from a variety of public and private sources pertinent to the purposes of the Fund, including donations; grants; special use permits; federal funds specifically designated for uses

compatible with the intent of the fund; timber sale receipts received after June 30, 2001, from State forestland and all Agency lands otherwise not restricted; and such sums as may be ~~appropriated~~ transferred to the Fund by the General Assembly. The Agency may solicit and accept aid or contributions consistent with the stated intent of the donor and deposited with the State Treasurer. Income earned by the Fund shall be deposited into the Fund, and all balances in the Fund at the end of any fiscal year shall be carried forward and remain part of the Fund.

* * *

Sec. E.700.1 2018 (Sp. Sess.) Acts and Resolves No. 11, Section C.110 is amended to read:

Sec. C.110 IMPLEMENTATION OF PRELIMINARY RECOMMENDATIONS OF THE VERMONT CLIMATE ACTION COMMISSION

* * *

(b) Recommendations of the Commission and actions taken on them include:

* * *

~~(5) Electrify the transportation system: The direction concerning the use of Environmental Mitigation Trust monies resulting from the Volkswagen litigation set forth in Sec. E.700 of this act is designed to increase electrification of transportation.~~

Sec. E.700.2 2018 (Sp. Sess.) Acts and Resolves No. 11, Section E.700 is amended to read:

Sec. E.700 VOLKSWAGEN LITIGATION; ENVIRONMENTAL MITIGATION TRUST FOR STATE BENEFICIARIES

(a) As used in this section:

(1) "Appendix D-2" means Appendix D-2 to the Environmental Mitigation Trust, entitled "Eligible Mitigation Actions and Mitigation Action Expenditures."

(2) "Environmental Mitigation Trust" or "Trust" means the Environmental Mitigation Trust Agreement for State Beneficiaries filed on October 2, 2017 in In re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation, 3:16-CV-00295-CRB, MDL No. 2672 CRB (JSC) (N.D. Cal.).

(3) "Mobile source" means any vehicle, freight switcher, ferry, tug, vessel, or equipment that qualifies under an eligible mitigation action listed in Appendix D-2.

(b) The Secretary of Natural Resources shall administer Environmental Mitigation Trust monies pursuant to 10 V.S.A. § 554(15) ~~and, in administering the Trust monies appropriated under Sec. B.710 of this act, shall:~~

~~(1) Dedicate at least 15 percent of those monies for the purchase of light duty electric supply equipment and associated allowable administrative costs in accordance with Appendix D-2~~.

~~(2) Dedicate the remainder of the monies to the replacement of mobile sources that consume fossil fuels with all-electric mobile sources or the repowering of mobile sources that consume fossil fuels with all-electric engines, or both, and associated allowable administrative costs.~~ The expenditures shall be in accordance with the requirements of Appendix D-2.

Sec. E.702 DEPARTMENT OF FISH AND WILDLIFE; EQUIPMENT REPLACEMENT FUNDING; FISCAL YEAR 2028 BUDGET PRESENTATION

(a) As part of its fiscal year 2028 budget presentation, the Department of Fish and Wildlife shall include information on the cost and schedule of radio equipment and firearm life cycle replacement and any recommendations for future funding, including the establishment of a designated special fund for that purpose.

Sec. E.711 AGENCY OF NATURAL RESOURCES; POSITION POOL; FUNDING

(a) Of the funds appropriated in Sec. B.711 of this act, $300,000 General Fund shall be for two permanent, classified Environmental Analysts to be taken from the position pool to support the work required pursuant to 2024 Acts and Resolves No. 121.

Sec. E.801 2023 Acts and Resolves No. 78, Sec. F.8 is amended to read:

Sec. F.8 ~~RURAL INDUSTRY DEVELOPMENT GRANT PROGRAM~~

~~(a) Creation; purpose.~~

~~(1) A Rural Industry Development Grant Program is created within the Agency of Commerce and Community Development to provide grant funding through local development corporations for business relocation and expansion efforts, including the purchase, demolition, and renovation of property for industrial use.~~

~~(2)(A) To the extent funding is appropriated, the Agency shall make grants through the Program to assist local development corporations with business relocation and expansion efforts throughout Vermont.~~

~~(B) The Agency shall ensure an accounting of the respective State and Grantee shares of investment in any property be maintained to refund to the State an appropriate share of any net proceeds resulting from future sale or transfer of such property acquired or improved through a grant awarded under this program.~~

~~(b) Grant considerations. In making grant awards, the Agency shall consider:~~

~~(1) the real estate needs of growing and relocating businesses, including nonprofit organizations, in the applicant's region;~~

~~(2) the ability of the proposed project to meet the site-specific needs of businesses considering whether to expand or locate in this State;~~

~~(3) the funding that the applicant has identified, or secured, to leverage a grant award; and~~

~~(4) the readiness of an applicant to move a project forward.~~

~~(c) Eligible applicants; priority.~~

~~(1) To be eligible for a grant, an applicant must be a local development corporation, as defined in subdivision 212(10) of this title, located within this State.~~

~~(2) The Secretary of Commerce and Community Development may designate projects and agreements as first priority based on rural communities that continue to experience insufficient economic and grand list growth.~~

~~(d) Eligible activities. A grant recipient may use funding for the following:~~

~~(1) to purchase land for potential industrial use;~~

~~(2) for the costs of site development, permitting, or providing infrastructure for property the recipient owns;~~

~~(3) for the equity investment required for a loan transaction through the Vermont Economic Development Authority under 10 V.S.A. chapter 12, subchapter 3; or~~

~~(4) for the matching requirement of another State or federal grant consistent with this section.~~

~~(e) Application; market assessment.~~

~~(1) An applicant shall include in its application a local and regional market assessment that demonstrates reasonable need for the proposed development and identifies imminent, potential, or existing business growth opportunities.~~

~~(2) An applicant shall submit the following to demonstrate a readiness to begin and complete the proposed project:~~

~~(A) community and regional support for the project;~~

~~(B) that grant funding is needed to complete the proposed project;~~

~~(C) an ability to manage the project, with requisite experience and a plan for fiscal viability; and~~

~~(D) a description of the permitting required to proceed with the project and a plan for obtaining the permits.~~

~~(f) Awards; amount.~~

~~(1) An award shall not exceed the lesser of $1,000,000 or 20 percent of the total project cost.~~

~~(2) A recipient may combine grant funds with funding from other sources.~~

~~(3) The Agency shall release grant funds upon determining that the applicant has met all application conditions and requirements.~~

~~(4) A grant recipient may apply for additional grant funds if future amounts are appropriated for the Program and the funds are for a separate but eligible use.~~

~~(g) Deed restrictions; property sales. The Agency shall include deed restrictions that require the return of the principal amount to the state and may require the payment of a percentage of the sales profit.~~ [Repealed.]

Sec. E.801.1 10 V.S.A. § 6 is added to read:

§ 6. RURAL INDUSTRY DEVELOPMENT GRANT PROGRAM

(a) Creation; purpose.

(1) The Rural Industry Development Grant Program is created within the Agency of Commerce and Community Development to provide grant funding through local development corporations for the purpose of business relocation and expansion activities set forth in subsection (d) of this section.

(2) To the extent funding is appropriated, the Agency shall make grants through the Program fund to assist local development corporations with business relocation and expansion efforts throughout Vermont.

(3) As used in this section, "federally impacted property" means real property that is:

(A) owned by the United States or by any federal agency or an instrumentality thereof; or

(B) under the custody or control of a federally appointed receiver, trustee, or conservator, and includes property subject to federal court jurisdiction.

(b) Grant considerations. In making grant awards, the Agency shall consider:

(1) the real estate needs of growing and relocating businesses, including nonprofit organizations, in the applicant's region;

(2) the ability of the proposed project to meet the site-specific needs of businesses considering whether to expand or locate in this State;

(3) the funding that the applicant has identified, or secured, to leverage a grant award; and

(4) the readiness of an applicant to move a project forward.

(c) Eligible applicants; priority.

(1) To be eligible for a grant, an applicant must be a local development corporation, as defined in subdivision 212(10) of this title, located within this State.

(2) The Secretary of Commerce and Community Development may designate projects and agreements as first priority based on rural communities that continue to experience insufficient economic and grand list growth.

(d) Eligible activities. A grant recipient shall use any funding provided through this section only for the following:

(1) to purchase real property for potential industrial, commercial, or, in the case of a federally impacted property, residential use;

(2) for the costs of site development, permitting, or providing infrastructure for property the recipient owns;

(3) for a project that supports future commercial or industrial development as outlined in a development agreement;

(4) for the equity investment required for a loan transaction through the Vermont Economic Development Authority under 10 V.S.A. chapter 12, subchapter 3;

(5) for the matching requirement of another State or federal grant consistent with this section; or

(6) for the purchasing, holding, and renovation of property for the repurposing or redevelopment of a federally impacted property.

(e) Application; market assessment.

(1) An applicant shall include in its application a local and regional market assessment that demonstrates reasonable need for the proposed development and identifies imminent, potential, or existing business growth opportunities.

(2) An applicant shall submit the following to demonstrate a readiness to begin and complete the proposed project:

(A) community and regional support for the project;

(B) that grant funding is needed to complete the proposed project;

(C) an ability to manage the project, with requisite experience and a plan for fiscal viability; and

(D) a description of the permitting required to proceed with the project and a plan for obtaining the permits.

(f) Awards; amount.

(1)(A) An award shall not exceed the lesser of $1,000,000.00 or 50 percent of the total project cost, subject to the exception in subdivision (B) of this subdivision (1).

(B) An award may exceed $1,000,000.00 but shall not exceed $2,000,000.00 if the property is classified as a federally impacted property and the Secretary certifies that the project is located in:

(i) a designated downtown development district; and

(ii) a rural economic area partnership program (REAP Zone); or

(iii) a federally declared natural disaster area, provided the declaration was made not more than five years from the application date.

(2) A recipient may combine grant funds with funding from other sources.

(3) The Agency shall release grant funds upon determining that the applicant has met all application conditions and requirements.

(4) A grant recipient may apply for additional grant funds if future amounts are appropriated for the Program and the funds are for a separate but eligible use.

(g) Deed restrictions. Any deed restriction requiring a Rural Industry Development Grant Program award recipient to return to the State the principal amount of the grant or a percentage of the sales profit is void and shall not be enforced.

Sec. E.801.2 INTENT AND RETROACTIVITY

(a) The intent of Secs. E.801 and E.801.1 of this act is to move the Rural Industry Development Grant Program from its original placement in 2023 Acts and Resolves No. 78, Sec. F.8 to Title 10 of the Vermont Statutes Annotated. The move is intended to increase the visibility of the Program. Any applicant that was awarded a grant through the Program before the effective date of this act shall:

(1) not have its award rescinded solely due to the Program language being moved to Title 10;

(2) if the award has not been fully paid out, be eligible to have the applicant's invoices that are submitted on or after the effective date of this act to the Agency reimbursed at a rate of 50 percent; and

(3) not be eligible for an increased total award amount.

Sec. E.915 32 V.S.A. § 3709 is amended to read:

§ 3709. PILOT SPECIAL FUND

(a) There is hereby established a PILOT Special Fund consisting of local option tax revenues paid to the State Treasurer pursuant to 24 V.S.A. § 138. This Fund shall be managed by the Commissioner of Taxes pursuant to chapter 7, subchapter 5 of this title. Notwithstanding subdivision 588(3) of this title, all interest earned on the Fund shall be retained in the Fund for use in meeting future obligations. The Fund shall be exclusively for payments required under ~~chapter 123,~~ subchapters 4 and 4C of this ~~title~~ chapter, ~~and~~ for any additional State payments in lieu of taxes for correctional facilities, and as provided in subsection (c) of this section. The Commissioner of Finance and Management may draw warrants for disbursements from this Fund in anticipation of receipts.

* * *

(c) If the local option tax cash receipts deposited in the PILOT Special Fund, pursuant to 24 V.S.A. § 138, in any State fiscal year exceed the sum of all cash disbursements made under subchapters 4 and 4C of this chapter; payments in lieu of taxes for correctional facilities; and grand list and appraisal assistance during that same fiscal year, then an amount of PILOT Special Funds equal to three-fourths of the surplus annual operating cash receipts shall be transferred by the Commissioner of Finance and Management to the Local

Option Municipal Transportation Special Fund, established pursuant to 19 V.S.A. § 306b, as part of the annual fiscal year close out process.

Sec. E.915.1 19 V.S.A. § 306b is added to read:

§ 306b. LOCAL OPTION MUNICIPAL TRANSPORTATION SPECIAL FUND

(a) The Local Option Municipal Transportation Special Fund is established in the Agency of Transportation and shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. The purpose of the Fund is to provide additional State aid for town highways pursuant to the provisions of section 306 of this chapter.

(b) The Fund shall consist of:

(1) transfers from the PILOT Special Fund pursuant to 32 V.S.A. § 3709(c);

(2) any gifts, grants, or contributions made to the Fund;

(3) any amounts transferred to the Fund by the General Assembly; and

(4) all interest earned on Fund balances.

(c)(1) The Secretary may seek and accept gifts, donations, and grants from any source, public or private, for deposit into the Fund.

(2) The Commissioner of Finance and Management shall anticipate receipts to the Fund and shall issue warrants based on the anticipated amounts.

(3)(A) The Fund shall be used solely to provide State aid to municipalities pursuant to subsections 306(a), (e), and (h) of this chapter and for any administrative costs of administering the Fund.

(B) Notwithstanding any provision of subsections 306(a), (e), and (h) of this chapter to the contrary, the aggregate amount of appropriations from the Fund pursuant to those subsections in any given State fiscal year shall not exceed 95 percent of the anticipated cash receipts to the Fund for that fiscal year.

Sec. E.915.2 19 V.S.A. § 306 is amended to read:

§ 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS

(a) General State aid to town highways.

(1) An annual appropriation to class 1, 2, and 3 town highways shall be made. This appropriation shall increase over the previous fiscal year's appropriation by the same percentage change as the following, whichever is

less, or shall remain at the previous fiscal year's appropriation if either of the following are negative or zero:

* * *

(3) The funds appropriated shall be distributed to towns as follows:

(A) Six percent of the State's annual town highway appropriation shall be apportioned to class 1 town highways. The apportionment for each town shall be that town's percentage of class 1 town highways of the total class 1 town highway mileage in the State.

(B) Forty-four percent of the State's annual town highway appropriation shall be apportioned to class 2 town highways. The apportionment for each town shall be that town's percentage of class 2 town highways of the total class 2 town highway mileage in the State.

(C) Fifty percent of the State's annual town highway appropriation shall be apportioned to class 3 town highways. The apportionment for each town shall be that town's percentage of class 3 town highways of the total class 3 town highway mileage in the State.

(D) Monies apportioned under subdivisions (1), (2), and (3) of this subsection (a) shall be distributed to each town in quarterly payments beginning July 15 in each year.

(E) Each town shall use the monies apportioned to it solely for town highway construction, improvement, and maintenance purposes or as the nonfederal share for public transit assistance. These funds may also be used for the establishment and maintenance of bicycle routes and sidewalks. The members of the selectboard shall be personally liable to the State, in a civil action brought by the Attorney General, for making any unauthorized expenditures from money apportioned to the town under this section.

(4)(A) In addition to the amounts appropriated pursuant to subdivision (1) of this subsection (a), a portion of the Local Option Municipal Transportation Special Fund may be appropriated for class 1, 2, and 3 town highways in each State fiscal year in an amount that is consistent with the provisions of subdivision 306b(c)(4) of this chapter. Amounts appropriated shall be apportioned, distributed, and used in the same manner as provided pursuant to subdivision (3) of this subsection (a).

(B) Amounts appropriated pursuant to this subdivision (4) shall be supplemental to and shall not supplant or decrease the amount appropriated pursuant to subdivision (1) of this subsection (a) or be subject to the annual inflationary adjustment provided for in subdivisions (1) and (2) of this subsection (a).

* * *

(e) State aid for town highway structures.

(1) There shall be an annual appropriation for grants to municipalities for maintenance ~~(~~, including actions to extend life expectancy~~)~~, and for construction of bridges and culverts; for maintenance and construction of other structures, including causeways and retaining walls, intended to preserve the integrity of the traveled portion of class 1, 2, and 3 town highways; and for alternatives that eliminate the need for a bridge, culvert, or other structure, such as the construction or reconstruction of a highway, the purchase of parcels of land that would be landlocked by closure of a bridge, the payment of damages for loss of highway access, and the substitution of other means of access. This appropriation shall increase over the previous fiscal year's appropriation by the same percentage change as the following, whichever is less, or shall remain at the previous fiscal year's appropriation if either of the following are negative or zero:

* * *

(5) Funds received as grants for State aid for town highway structures may be used by a municipality to satisfy a portion of the matching requirements for federal earmarks, subject to subsection 309b(c) of this title.

(6)(A) In addition to the amounts appropriated pursuant to subdivision (1) of this subsection (e), a portion of the Local Option Municipal Transportation Special Fund may be appropriated for town highway structures in each State fiscal year in an amount that is consistent with the provisions of subdivision 306b(c)(4) of this chapter. Amounts appropriated shall be used in the same manner and for the same purposes as provided pursuant to subdivisions (1) and (5) of this subsection (e).

(B) Amounts appropriated pursuant to this subdivision (6) shall be supplemental to and shall not supplant or decrease the amount appropriated pursuant to subdivision (1) of this subsection (e) or be subject to the annual inflationary adjustment provided for in subdivisions (1)–(3) of this subsection (e).

* * *

(h) Class 2 Town Highway Roadway Program.

(1) There shall be an annual appropriation for grants to municipalities for resurfacing, rehabilitation, or reconstruction of paved or unpaved class 2 town highways. Municipalities that have no State highways or class 1 town highways within their borders may use the grants for such activities with respect to both class 2 and class 3 town highways. This appropriation shall

increase over the previous fiscal year's appropriation by the same percentage change as the following, whichever is less, or shall remain at the previous fiscal year's appropriation if either of the following are negative or zero:

* * *

(4) In a given fiscal year, should expenditures in the Class 2 Town Highway Roadway Program exceed the amount appropriated, the Agency shall advise the Governor of the need to request a supplemental appropriation from the General Assembly to fund the additional project cost, provided that the Agency has previously committed to completing those projects.

(5) Funds received as grants for State aid under the Class 2 Town Highway Roadway Program may be used by a municipality to satisfy a portion of the matching requirements for federal earmarks, subject to subsection 309b(c) of this title.

(6)(A) In addition to the amounts appropriated pursuant to subdivision (1) of this subsection (h), a portion of the Local Option Municipal Transportation Special Fund may be appropriated for town highway structures in each State fiscal year in an amount that is consistent with the provisions of subdivision 306b(c)(4) of this chapter. Amounts appropriated shall be used in the same manner and for the same purposes as provided pursuant to subdivisions (1) and (5) of this subsection (h).

(B) Amounts appropriated pursuant to this subdivision (6) shall be supplemental to and shall not supplant or decrease the amount appropriated pursuant to subdivision (1) of this subsection (h) or be subject to the annual inflationary adjustment provided for in subdivisions (1)–(3) of this subsection (h).

* * *

Sec. E.923 19 V.S.A. § 11 is amended to read:

§ 11. TRANSPORTATION FUND

The Transportation Fund shall comprise the following:

* * *

(8) other miscellaneous sources, including the sale of maps, plans, and reports~~,~~; fees collected by the Travel Information Council~~,~~; leases for property at State-owned airports and railroads~~,~~; proceeds from the sale of State surplus property under the provisions of 29 V.S.A. §§ 1556 and 1557~~,~~; and proceeds from the sale of recycled materials; and

(9) all interest earned in accordance with 32 V.S.A. § 308a(e) and interest earned upon the nondedicated component of the Transportation Fund.

Sec. E.923.1 19 V.S.A. § 11a is amended to read:

§ 11a. TRANSPORTATION FUND APPROPRIATIONS

No transportation funds shall be appropriated for the support of government other than for the Agency, the Board, Transportation Pay Act Funds, construction of transportation capital facilities, transportation debt service, the purchase of level 1 and 2 electric vehicle supply equipment (EVSE) charging ports by the Department of Housing and Community Development for the purposes provided in 23 V.S.A. § 361, and the operation of information centers by the Department of Buildings and General Services.

* * * Pay Act * * *

Sec. F.100 COLLECTIVE BARGAINING AGREEMENTS; FISCAL YEARS 2027 AND 2028

(a) Fiscal year 2027. 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, 2026, through June 30, 2027. The collective bargaining agreements for most classified employees provide in fiscal year 2027 an average 1.9 percent step increase and a 2 percent across-the-board increase on July 12, 2026, and a 2 percent across-the-board increase on January 10, 2027, for a total average increase of 5.9 percent for those employees receiving step increases during the fiscal year.

(b) Fiscal year 2028. 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, 2027, through June 30, 2028. The collective bargaining agreements for most classified employees provide in fiscal year 2028 an average 1.9 percent step increase and a 3.0 percent across-the-board increase for a total average increase of 4.9 percent for those employees receiving step increases during the fiscal year.

* * * Exempt Employees; Fiscal Years 2027 and 2028 * * *

Sec. F.101 EXEMPT EMPLOYEES; PERMITTED SALARY INCREASES; FISCAL YEARS 2027 AND 2028

(a) Fiscal year 2027. The Executive, Judicial, and Legislative Branches may extend the fiscal year 2027 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 2028. The Executive, Judicial, and Legislative Branches may extend the fiscal year 2028 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 SPECIAL SALARY INCREASE OR BONUS

(a) Fiscal year 2027. For purposes of determining annual salary adjustments, special salary increases, and bonuses under 32 V.S.A. §§ 1003(b) and 1020(b), "the average rate of adjustment available to most classified employees under the collective bargaining agreement" shall be, in fiscal year 2027, 5.9 percent.

(b) Fiscal year 2028. For purposes of determining annual salary adjustments, special salary increases, and bonuses under 32 V.S.A. §§ 1003(b) and 1020(b), "the average rate of adjustment available to most classified employees under the collective bargaining agreement" shall be, in fiscal year 2028, 4.9 percent.

* * * Executive Branch; Miscellaneous Statutory Salaries; Fiscal Years 2027 and 2028 * * *

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:

	~~Annual Salary as of July 14, 2024~~	~~Annual Salary as of July 13, 2025~~
~~(1) Governor~~	~~$222,371~~	~~$234,379~~
~~(2) Lieutenant Governor~~	~~$94,392~~	~~$99,489~~
~~(3) Secretary of State~~	~~$141,003~~	~~$148,617~~
~~(4) State Treasurer~~	~~$141,003~~	~~$148,617~~
~~(5) Auditor of Accounts~~	~~$141,003~~	~~$148,617~~
~~(6) Attorney General~~	~~$168,837~~	~~$177,954~~

	Annual Salary as of July 12, 2026	Annual Salary as of January 10, 2027	Annual Salary as of July 11, 2027
(1) Governor	$243,520	$248,390	$260,561
(2) Lieutenant Governor	$103,369	$105,436	$110,602
(3) Secretary of State	$154,413	$157,501	$165,219
(4) State Treasurer	$154,413	$157,501	$165,219
(5) Auditor of Accounts	$154,413	$157,501	$165,219
(6) Attorney General	$184,894	$188,592	$197,833

(b) The Governor may appoint each officer of the Executive Branch listed in this subsection at a starting salary ranging from the base salary stated for that position to a salary that does not exceed the maximum salary unless otherwise authorized by this subsection. The maximum salary for each appointive officer shall be 50 percent above the base salary. Annually, the Governor may grant to each of those officers an annual salary adjustment subject to the maximum salary. The annual salary adjustment granted to officers under this subsection shall not exceed the average rate of adjustment available to most classified employees under the collective bargaining agreement then in effect. In addition to the annual salary adjustment specified in this subsection, the Governor may grant a special salary increase subject to the maximum salary, or a bonus, to any officer listed in this subsection whose job duties have significantly increased, or whose contributions to the State in the preceding year are deemed especially significant. Special salary increases or bonuses granted to any individual shall not exceed the average rate of adjustment available to most classified employees under the collective bargaining agreement then in effect.

(1) Heads of the following Departments and Agencies:

	~~Base Salary as of July 14, 2024~~	~~Base Salary as of July 13, 2025~~
~~(A) Administration~~	~~$134,466~~	~~$141,727~~

~~(B) Agriculture, Food and Markets~~	~~$134,466~~	~~$141,727~~
~~(C) Financial Regulation~~	~~$125,706~~	~~$132,494~~
~~(D) Buildings and General Services~~	~~$125,706~~	~~$132,494~~
~~(E) Children and Families~~	~~$125,706~~	~~$132,494~~
~~(F) Commerce and Community Development~~	~~$134,466~~	~~$141,727~~
~~(G) Corrections~~	~~$125,706~~	~~$132,494~~
~~(H) Defender General~~	~~$125,706~~	~~$132,494~~
~~(I) Disabilities, Aging, and Independent Living~~	~~$125,706~~	~~$132,494~~
~~(J) Economic Development~~	~~$114,031~~	~~$120,189~~
~~(K) Education~~	~~$134,466~~	~~$141,727~~
~~(L) Environmental Conservation~~	~~$125,706~~	~~$132,494~~
~~(M) Finance and Management~~	~~$125,706~~	~~$132,494~~
~~(N) Fish and Wildlife~~	~~$114,031~~	~~$120,189~~
~~(O) Forests, Parks and Recreation~~	~~$114,031~~	~~$120,189~~
~~(P) Health~~	~~$125,706~~	~~$132,494~~
~~(Q) Housing and Community Development~~	~~$114,031~~	~~$120,189~~

~~(R) Human Resources~~	~~$125,706~~	~~$132,494~~
~~(S) Human Services~~	~~$134,466~~	~~$141,727~~
~~(T) Digital Services~~	~~$134,466~~	~~$141,727~~
~~(U) Labor~~	~~$125,706~~	~~$132,494~~
~~(V) Libraries~~	~~$114,031~~	~~$120,189~~
~~(W) Liquor and Lottery~~	~~$114,031~~	~~$120,189~~
~~(X) [Repealed.]~~		
~~(Y) Mental Health~~	~~$125,706~~	~~$132,494~~
~~(Z) Military~~	~~$125,706~~	~~$132,494~~
~~(AA) Motor Vehicles~~	~~$114,031~~	~~$120,189~~
~~(BB) Natural Resources~~	~~$134,466~~	~~$141,727~~
~~(CC) Land Use Review Board Chair~~	~~$114,031~~	~~$120,189~~
~~(DD) Public Safety~~	~~$125,706~~	~~$132,494~~
~~(EE) Public Service~~	~~$125,706~~	~~$132,494~~
~~(FF) Taxes~~	~~$125,706~~	~~$132,494~~
~~(GG) Tourism and Marketing~~	~~$114,031~~	~~$120,189~~
~~(HH) Transportation~~	~~$134,466~~	~~$141,727~~
~~(II) Vermont Health Access~~	~~$125,706~~	~~$132,494~~
~~(JJ) Veterans' Home~~	~~$125,706~~	~~$132,494~~

	Base Salary as of July 12, 2026	Base Salary as of January 10, 2027	Base Salary as of July 11, 2027
(A) Administration	$147,254	$150,199	$157,559

(B) Agriculture, Food and Markets	$147,254	$150,199	$157,559
(C) Financial Regulation	$137,661	$140,414	$147,294
(D) Buildings and General Services	$137,661	$140,414	$147,294
(E) Children and Families	$137,661	$140,414	$147,294
(F) Commerce and Community Development	$147,254	$150,199	$157,559
(G) Corrections	$137,661	$140,414	$147,294
(H) Defender General	$137,661	$140,414	$147,294
(I) Disabilities, Aging, and Independent Living	$137,661	$140,414	$147,294
(J) Economic Development	$124,876	$127,374	$133,615
(K) Education	$147,254	$150,199	$157,559
(L) Environmental Conservation	$137,661	$140,414	$147,294
(M) Finance and Management	$137,661	$140,414	$147,294
(N) Fish and Wildlife	$124,876	$127,374	$133,615
(O) Forests, Parks and Recreation	$124,876	$127,374	$133,615
(P) Health	$137,661	$140,414	$147,294
(Q) Housing and Community Development	$124,876	$127,374	$133,615

(R) Human Resources	$137,661	$140,414	$147,294
(S) Human Services	$147,254	$150,199	$157,559
(T) Digital Services	$147,254	$150,199	$157,559
(U) Labor	$137,661	$140,414	$147,294
(V) Libraries	$124,876	$127,374	$133,615
(W) Liquor and Lottery	$124,876	$127,374	$133,615
(X) [Repealed.]			
(Y) Mental Health	$137,661	$140,414	$147,294
(Z) Military	$137,661	$140,414	$147,294
(AA) Motor Vehicles	$124,876	$127,374	$133,615
(BB) Natural Resources	$147,254	$150,199	$157,559
(CC) Land Use Review Board Chair	$124,876	$127,374	$133,615
(DD) Public Safety	$137,661	$140,414	$147,294
(EE) Public Service	$137,661	$140,414	$147,294
(FF) Taxes	$137,661	$140,414	$147,294
(GG) Tourism and Marketing	$124,876	$127,374	$133,615
(HH) Transportation	$147,254	$150,199	$157,559
(II) Vermont Health Access	$137,661	$140,414	$147,294
(JJ) Veterans' Home	$137,661	$140,414	$147,294

(2) [Repealed.]

(3) If the Chair of the Land Use Review Board is employed on less than a full-time basis, the hiring and salary maximums for that position shall be reduced proportionately.

(4) When a permanent employee is appointed to an exempt position, the Governor may authorize such employee to retain the present salary even though it is in excess of any salary maximum provided in statute.

* * *

(d) Notwithstanding the maximum salary established in subsection (b) of this section, the Defender General shall not receive compensation in excess of the compensation established for the Attorney General in this section.

(e) Notwithstanding the maximum salary established in subsection (b) of this section, the maximum salary for the Commissioner of Health shall not exceed 100 percent above the base salary for this position.

* * * Judicial Branch; Statutory Salaries; Fiscal Years 2027 and 2028 * * *

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:

	~~Annual Salary as of July 14, 2024~~	~~Annual Salary as of July 13, 2025~~
~~(1) Chief Justice of Supreme Court~~	~~$214,024~~	~~$225,581~~
~~(2) Each Associate Justice~~	~~$204,264~~	~~$215,294~~
~~(3) Chief Superior Judge~~	~~$204,264~~	~~$215,294~~
~~(4) Each Superior Judge~~	~~$194,185~~	~~$204,671~~
~~(5) [Repealed.]~~		
~~(6) Each Magistrate~~	~~$146,413~~	~~$154,319~~
~~(7) Each Judicial Bureau hearing officer~~	~~$146,413~~	~~$154,319~~

	Annual Salary as of July 12, 2026	Annual Salary as of January 10, 2027	Annual Salary as of July 11, 2027

(1) Chief Justice of Supreme Court	$234,379	$239,067	$250,781
(2) Each Associate Justice	$223,690	$228,164	$239,344
(3) Chief Superior Judge	$223,690	$228,164	$239,344
(4) Each Superior Judge	$212,653	$216,906	$227,534
(5) [Repealed.]			
(6) Each Magistrate	$160,337	$163,544	$171,558
(7) Each Judicial Bureau hearing officer	$160,337	$163,544	$171,558

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 ~~$224.47 a day as of July 14, 2024 and $236.59 a day as of July 13, 2025~~ $245.82 a day as of July 12, 2026, $250.74 a day as of January 10, 2027, and $263.03 a day as of July 11, 2027, 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:

	~~Annual Salary as of July 14, 2024~~	~~Annual Salary as of July 13, 2025~~
~~(1) Addison~~	~~$76,555~~	~~$80,689~~
~~(2) Bennington~~	~~$96,776~~	~~$102,002~~
~~(3) Caledonia~~	~~$67,891~~	~~$71,557~~
~~(4) Chittenden~~	~~$161,506~~	~~$170,227~~
~~(5) Essex~~	~~$18,966~~	~~$19,990~~
~~(6) Franklin~~	~~$76,555~~	~~$80,689~~
~~(7) Grand Isle~~	~~$18,966~~	~~$19,990~~
~~(8) Lamoille~~	~~$53,443~~	~~$56,329~~
~~(9) Orange~~	~~$63,554~~	~~$66,986~~
~~(10) Orleans~~	~~$62,110~~	~~$65,464~~
~~(11) Rutland~~	~~$137,221~~	~~$144,631~~
~~(12) Washington~~	~~$105,441~~	~~$111,135~~
~~(13) Windham~~	~~$85,221~~	~~$89,823~~
~~(14) Windsor~~	~~$115,555~~	~~$121,795~~

	Annual Salary as of July 12, 2026	Annual Salary as of January 10, 2027	Annual Salary as of July 11, 2027
(1) Addison	$83,836	$85,513	$89,703
(2) Bennington	$105,980	$108,100	$113,397
(3) Caledonia	$74,348	$75,835	$79,551
(4) Chittenden	$176,866	$180,403	$189,243

(5) Essex	$20,770	$21,185	$22,223
(6) Franklin	$83,836	$85,513	$89,703
(7) Grand Isle	$20,770	$21,185	$22,223
(8) Lamoille	$58,526	$59,697	$62,622
(9) Orange	$69,598	$70,990	$74,469
(10) Orleans	$68,017	$69,377	$72,776
(11) Rutland	$150,272	$153,277	$160,788
(12) Washington	$115,469	$117,778	$123,549
(13) Windham	$93,326	$95,193	$99,857
(14) Windsor	$126,545	$129,076	$135,401

(b) Probate judges shall be entitled to be paid by the State for their actual and necessary expenses under the rules pertaining to classified State employees. The compensation for the Probate judge of the Chittenden District shall be for full-time service.

(c) All Probate judges, regardless of the number of hours worked annually, shall be eligible to participate in all employee benefits that are available to exempt employees of the Judicial Department.

* * * Sheriffs; Statutory Salaries; Fiscal Years 2027 and 2028 * * *

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 ~~$104,010.00 as of July 14, 2024 and $109.627.00 as of July 13, 2025~~ $113,902.00 as of July 12, 2026, $116,180.00 as of January 10, 2027, and $122,873.00 as of July 11, 2027. The Sheriff of Chittenden County shall be entitled to an annual salary in the amount of ~~$110,070.00 as of July 14, 2024 and $116,014.00 as of July 13, 2025~~ $120,539.00 as of July 12, 2026, $122,950.00 as of January 10, 2027, and $128,975.00 as of July 11, 2027.

(b) Compensation under subsection (a) of this section shall be reduced by 10 percent for any sheriff who has Level II but not obtained Level III law enforcement officer certification under 20 V.S.A. § 2358.

* * *

* * * State's Attorneys; Statutory Salaries; Fiscal Years 2027 and 2028 * * *

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:

	~~Annual Salary as of July 14, 2024~~	~~Annual Salary as of July 13, 2025~~
~~(1) Addison County~~	~~$140,691~~	~~$148,288~~
~~(2) Bennington County~~	~~$140,691~~	~~$148,288~~
~~(3) Caledonia County~~	~~$140,691~~	~~$148,288~~
~~(4) Chittenden County~~	~~$147,087~~	~~$155,030~~
~~(5) Essex County~~	~~$105,521~~	~~$111,219~~
~~(6) Franklin County~~	~~$140,691~~	~~$148,288~~
~~(7) Grand Isle County~~	~~$105,521~~	~~$111,219~~
~~(8) Lamoille County~~	~~$140,691~~	~~$148,288~~
~~(9) Orange County~~	~~$140,691~~	~~$148,288~~
~~(10) Orleans County~~	~~$140,691~~	~~$148,288~~
~~(11) Rutland County~~	~~$140,691~~	~~$148,288~~
~~(12) Washington County~~	~~$140,691~~	~~$148,288~~
~~(13) Windham County~~	~~$140,691~~	~~$148,288~~
~~(14) Windsor County~~	~~$140,691~~	~~$148,288~~

	Annual Salary as of July 12, 2026	Annual Salary as of January 10, 2027	Annual Salary as of July 11, 2027
(1) Addison County	$154,071	$157,152	$164,852
(2) Bennington County	$154,071	$157,152	$164,852
(3) Caledonia County	$154,071	$157,152	$164,852

(4) Chittenden County	$161,076	$164,298	$172,349
(5) Essex County	$115,557	$117,868	$123,644
(6) Franklin County	$154,071	$157,152	$164,852
(7) Grand Isle County	$115,557	$117,868	$123,644
(8) Lamoille County	$154,071	$157,152	$164,852
(9) Orange County	$154,071	$157,152	$164,852
(10) Orleans County	$154,071	$157,152	$164,852
(11) Rutland County	$154,071	$157,152	$164,852
(12) Washington County	$154,071	$157,152	$164,852
(13) Windham County	$154,071	$157,152	$164,852
(14) Windsor County	$154,071	$157,152	$164,852

(b) In settlement of their accounts, the Commissioner of Finance and Management shall allow the State's Attorneys the expense of printing briefs in cases in which the State's Attorney has represented the State and their necessary and actual expenses under the rules pertaining to classified State employees.

Sec. F.108.1 32 V.S.A. § 1183 is amended to read:

§ 1183. STATE'S ATTORNEYS

* * *

(c) Compensation under subsection (a) of this section shall be reduced by 30 percent for any State's Attorney who is not licensed or authorized to practice law in the State pursuant to the administrative orders issued by the Vermont Supreme Court.

* * * Appropriations * * *

Sec. F.109 PAY ACT APPROPRIATIONS; FISCAL YEARS 2027 AND 2028

(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, 2026, through June 30, 2028; the collective bargaining agreement with the Vermont Troopers' Association for the period of July 1, 2026, through June 30, 2028; and salary

increases for employees in the Executive Branch not covered by the bargaining agreements shall be funded as follows:

(1) Fiscal year 2027.

(A) General Fund. The amount of $23,918,820.00 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2027 collective bargaining agreements and the requirements of this act.

(B) Transportation Fund. The amount of $3,000,000.00 is appropriated from the Transportation Fund to the Secretary of Administration for distribution to the Agency of Transportation to fund the fiscal year 2027 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 2027 collective bargaining agreements and the requirements of this act. The estimated amounts are $27,184,607.00 from a special fund, federal funds, and other sources.

(D) Transfers. With due regard to the possible availability of other funds, for fiscal year 2027, 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 2028.

(A) General Fund. The amount of $24,974,632.00 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2028 collective bargaining agreements and the requirements of this act.

(B) Transportation Fund. The amount of $3,000,000.00 is appropriated from the Transportation Fund to the Secretary of Administration for distribution to the Agency of Transportation to fund the fiscal year 2028 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 2028 collective bargaining agreements and the requirements of this act. The estimated amounts are $28,362,343.00 from a special fund, federal funds, and other sources.

(D) Transfers. With due regard to the possible availability of other funds, for fiscal year 2028, 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 2027. 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, 2026, through June 30, 2027, and salary increases for employees in the Judicial Branch not covered by the bargaining agreements shall be funded as follows: the amount of $3,800,867.00 is appropriated from the General Fund and the amount of $277,316.00 is provided from other sources to the Judiciary to fund the fiscal year 2027 collective bargaining agreement and the requirements of this act.

(3) Fiscal year 2028. 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, 2027, through June 30, 2028, and salary increases for employees in the Judicial Branch not covered by the bargaining agreements shall be funded as follows: the amount of $2,466,396.00 is appropriated from the General Fund and the amount of $179,952.00 is provided from other sources to the Judiciary to fund the fiscal year 2028 collective bargaining agreement and the requirements of this act.

(c) Legislative Branch.

(1) For the period of July 1, 2026, through June 30, 2027, the General Assembly, including all Legislative Branch employees, shall be funded as follows: the amount of $914,634.00 is appropriated from the General Fund to the Legislative Branch.

(2) For the period of July 1, 2027, through June 30, 2028, the General Assembly, including all Legislative Branch employees, shall be funded as follows: the amount of $778,939.00 is appropriated from the General Fund to the Legislative Branch.

* * * Effective Dates * * *

Sec. G.100 EFFECTIVE DATES

(a) This section and Secs. C.100, C.101, C.102, C.103, C.104, C.105, C.106, C.107, C.108, C.109, C.110, C.111, C.112, C.113, C.114, C.115, E.504.2, E.504.3, E.504.4, E.801, E.801.1, E.801.2, E.915, and F.108.1 shall take effect on passage.

(b) Secs. E.307.1, E.307.2, E.307.3, and E.307.5 shall take effect on October 1, 2026.

(c) Secs. E.307.4 and E.923 shall take effect on July 1, 2027.

(d) Sec. E.504.5 shall take effect upon the occurrence of the contingencies set forth in 2025 Acts and Resolves No. 73, Sec. 70(f).

(e) Sec. E.100.3 shall take effect retroactively on June 30, 2024.

(f) All other sections shall take effect on July 1, 2026.

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.

SEN. ANDREW J. PERCHLIK

SEN. VIRGINIA V. LYONS

SEN. RICHARD A. WESTMAN

Committee on the part of the Senate

REP. ROBIN P. SCHEU

REP. MARTHA A. FELTUS

REP. TIFFANY BLUEMLE

Committee on the part of the House

Which was considered and adopted on the part of the House.

On motion of **Rep. McCoy of Poultney**, the bill was ordered delivered to the Governor forthwith pursuant to Joint Rule 15.

Joint Senate Resolution Adopted in Concurrence

J.R.S. 56

By Senator Baruth,

J.R.S. 56. Joint resolution relating to final adjournment of the General Assembly in 2026.

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 twenty-ninth or thirtieth day of May, 2026.

Was taken up and read.

Pending the question, Shall the House adopt the resolution in concurrence?, **Rep. Cina of Burlington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House adopt the resolution in concurrence?, was decided in the affirmative. Yeas, 114. Nays, 16.

Those who voted in the affirmative are:

Arsenault of Williston
Austin of Colchester
Bailey of Hyde Park
Bartley of Fairfax
Berbeco of Winooski
Birong of Vergennes
Bishop of Colchester
Black of Essex
Bluemle of Burlington
Bosch of Clarendon
Boutin of Barre City
Boyden of Cambridge
Brady of Williston
Branagan of Georgia
Brigham of St. Albans Town
Brown of Richmond
Burditt of West Rutland
Burkhardt of South Burlington
Burtt of Cabot
Campbell of St. Johnsbury
Canfield of Fair Haven
Carris Duncan of Whitingham
Casey of Hubbardton
Charlton of Chester
Coffin of Cavendish
Durfee of Shaftsbury
Eastes of Guilford
Emmons of Springfield
Feltus of Lyndon
Garofano of Essex
Goldman of Rockingham
Goodnow of Brattleboro
Goslant of Northfield
Graning of Jericho
Greer of Bennington
Hango of Berkshire
Harvey of Castleton
Higley of Lowell
Houghton of Essex Junction
Howland of Rutland Town
Hoyt of Hartford
Hunter of Manchester
James of Manchester
Kascenska of Burke
Keyser of Rutland City
Kimbell of Woodstock
Kleppner of Burlington
Kornheiser of Brattleboro
Krasnow of South Burlington
Labor of Morgan
Lalley of Shelburne
Mihaly of Calais
Minier of South Burlington
Morgan, L. of Milton
Morgan, M. of Milton
Morris of Springfield
Morrissey of Bennington
Morrow of Weston
Mrowicki of Putney
Nelson of Derby
Nielsen of Brandon
Noyes of Wolcott
Nugent of South Burlington
Ode of Burlington
Oliver of Sheldon
Page of Newport City
Pezzo of Colchester
Pinsonault of Dorset
Pouech of Hinesburg
Powers of Waterford
Pritchard of Pawlet
Quimby of Lyndon
Scheu of Middlebury
Sheldon of Middlebury
Sibilia of Dover
Soucy of Barre Town
Southworth of Walden
Squirrell of Underhill

Cole of Hartford
Conlon of Cornwall
Cooper of Pownal
Corcoran of Bennington
Critchlow of Colchester
Demar of Enosburgh
Dickinson of St. Albans Town
Dobrovich of Williamstown
Dodge of Essex
Dolan of Essex Junction
Dolgin of St. Johnsbury
Duke of Burlington
LaLonde of South Burlington
Laroche of Franklin
Lipsky of Stowe
Long of Newfane
Long of Milton
Luneau of St. Albans City*
Malay of Pittsford
Marcotte of Coventry
Masland of Thetford
McCoy of Poultney
Micklus of Milton
Steady of Milton
Stevens of Waterbury
Stone of Burlington
Tagliavia of Corinth
Taylor of Mendon
Walker of Swanton
Waszazak of Barre City
Waters Evans of Charlotte
Wells of Brownington
White of Waitsfield
White of Bethel
Wood of Waterbury
Yacovone of Morristown

Those who voted in the negative are:

Burke of Brattleboro
Casey of Montpelier
Cina of Burlington
Donahue of Northfield
Galfetti of Barre Town *
Harple of Glover *
Headrick of Burlington
Logan of Burlington
Lueders of Lincoln
McCann of Montpelier
McGill of Bridport
Olson of Starksboro
Priestley of Bradford
Rachelson of Burlington
Sweeney of Shelburne
Tomlinson of Winooski

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

Bartholomew of Hartland
Bos-Lun of Westminster
Burrows of West Windsor
Chapin of East Montpelier
Christie of Hartford
Gregoire of Fairfield
Holcombe of Norwich
Hooper of Randolph
Howard of Rutland City
LaMont of Morristown
Maguire of Rutland City
Nigro of Bennington
North of Ferrisburgh
O'Brien of Tunbridge
Parsons of Newbury
Satcowitz of Randolph
Scully of Burlington
Torre of Moretown
Winter of Ludlow

Rep. Galfetti of Barre Town provided the following vote explanation:

"Madam Speaker:

The results of this roll call show how purely performative the motion to take up S.208 was. Especially whether tonight or tomorrow the bill had no path with the Senate adjourned."

Rep. Harple of Glover provided the following vote explanation:

"Madam Speaker:

I am tired and I miss my family. I really want to adjourn, but not at the cost of passing good legislation. I know we will lose the vote on S.208, but if we're going to lose, let's at least go down fighting for what is right."

Senate Notified of Completion of House Business

Rep. Houghton of Essex Junction moved that the House direct the Clerk to inform the Senate that the House has completed the business of the second half of the Biennial Session and is ready to adjourn *sine die* pursuant to the provisions of J.R.S. 56, which was agreed to.

Governor Notified of Completion of House Business

Rep. Houghton of Essex Junction moved that the Speaker appoint a committee of six to inform the Governor that the House has completed the business of the second half the of the Biennial Session and is ready to adjourn *sine die* pursuant to the provisions of J.R.S. 56, which was agreed to.

Thereupon, the Speaker appointed to serve on the Committee the following members:

Rep. Houghton of Essex Junction
Rep. McCoy of Poultney
Rep. Logan of Burlington
Rep. James of Manchester
Rep. Marcotte of Coventry
Rep. Donahue of Northfield

Governor Presented at the Bar of the House

The Committee appointed to wait upon the Governor retired to the Executive Chamber and returned with His Excellency, Governor Philip B. Scott, and presented him at the bar of the House. The Governor addressed the House and, having completed his remarks, was escorted from the Hall by the Committee.

Final Adjournment

At seven o'clock and forty-six minutes in the evening, on motion of **Rep. Houghton of Essex Junction**, the House adjourned *sine die* pursuant to the provisions of J.R.S. 56.

FINAL MESSAGES AND COMMUNICATIONS

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Jaye Pershing Johnson, 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 8th day of June, 2026, he signed bills originating in the House of the following titles:

H. 171 **An act relating to criminal justice agency protocols for an officer-involved shooting**

H. 293 **An act relating to miscellaneous amendments to the Department of Health's reporting and programming requirements**

H. 550 **An act relating to gender equity within Vermont's correctional facilities**

H. 578 **An act relating to penalties and procedures for animal cruelty offenses**

H. 588 **An act relating to professions and occupations regulated by the Office of Professional Regulation**

H. 611 **An act relating to miscellaneous provisions affecting the Department of Vermont Health Access**

H. 841 **An act relating to miscellaneous animal welfare procedures**

H. 902 **An act relating to approval of amendments to the charter of the City of Barre**

H. 930 **An act relating to addressing and preventing chronic absenteeism**

H. 953 **An act relating to approval of an amendment to the charter of the Town of Panton**

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Jaye Pershing Johnson, 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 15th day of June, 2026, he signed bills originating in the House of the following titles:

H. 527 **An act relating to extending the sunset of 30 V.S.A. § 248a**

H. 542 **An act relating to testing of schools in Vermont for polychlorinated biphenyls**

H. 567 **An act relating to unclaimed property, State retirement systems, and capital debt**

H. 577 **An act relating to establishing the Vermont Prescription Drug Discount Card Program**

H. 583 **An act relating to clinical decision making**

H. 606 **An act relating to firearms relinquishment and storage procedures**

H. 639 **An act relating to genetic data privacy**

H. 657 **An act relating to various programming and requirements within the Department for Children and Families**

H. 921 **An act relating to alcoholic beverages**

H. 957 **An act relating to approval of amendments to the charter of the Town of Williston**

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Jaye Pershing Johnson, 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 June, 2026, he signed bills originating in the House of the following titles:

H. 211 **An act relating to data brokers and personal information**

H. 294 **An act relating to telecommunications services and wages in correctional facilities**

H. 642 **An act relating to youthful offender proceedings**

H. 648 **An act relating to banking, insurance, and securities**

H. 660 **An act relating to fiscal year 2027 Opioid Abatement Special Fund and Substance Misuse Prevention Special Fund appropriations**

H. 938 **An act relating to establishing the Vermont Homelessness Response Continuum**

H. 951 **An act relating to making appropriations for the support of the government**

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Jaye Pershing Johnson, 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 17th day of June, 2026, he signed bills originating in the House of the following titles:

H. 686 **An act relating to expanding identification of certain lobbying advertisements**

H. 757 **An act relating to manufactured homes and limited equity cooperatives**

H. 816 **An act relating to regulating the use of artificial intelligence in the provision of mental health services**

H. 907 **An act relating to legislative review of reporting requirements**

H. 915 **An act relating to establishing an extended producer responsibility program for beverage containers**

H. 928 **An act relating to technical corrections to fish and wildlife statutes**

H. 931 **An act relating to miscellaneous changes in education law**

H. 932 **An act relating to the regulation of forestry under Act 250**

H. 935 **An act relating to emergency management**

H. 952 An act relating to capital construction and State bonding budget adjustment

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Jaye Pershing Johnson, 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 17th day of June, 2026, he returned without signature and *vetoed* bills originating in the House of Representatives of the following titles:

H. 710 An act relating to defining electricity generating facilities

H. 817 An act relating to mental health literacy and peer-to-peer supports in schools

Governor's Veto Letter

"June 17, 2026

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
State House
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning unsigned and without my approval, in the time permitted by the Constitution H.710, *An act relating to defining electricity generating facilities*.

Working towards a cleaner and more resilient energy future is important to Vermont's economy, security, and environmental goals. However, we must do so in a manner that respects Vermont communities and the people most directly affected by industrial energy projects.

This is why for the last 10 years, my Administration has been clear, our local communities should be given great weight in both legislation and with the PUC when the expansion of industrial wind on Vermont's ridgelines could be the outcome.

This bill is framed as a change needed to simplify the definition of a "plant," but it goes too far. Its practical effect is to treat multiple renewable electricity generating facilities using the same technology and located on the same or contiguous parcels of land as a single facility, regardless of when those facilities are built. This means Vermont law would encourage the expansion of

existing industrial wind developments on our ridgelines in areas like Lowell, Sheffield, Searsburg, Readsboro, Milton and Georgia with fewer opportunities for scrutiny by residents. This will also affect communities like Pownal, Manchester, and Dorset which have already seen the development of massive solar fields.

For these reasons, I'm unable to support this bill.

Sincerely,

Philip B. Scott
Governor

PBS/kp"

Governor's Veto Letter

"June 17, 2026

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
State House
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning unsigned and without my approval, in the time permitted by the Constitution, H.817, *An act relating to mental health literacy and peer-to-peer supports in schools.*

This bill requires the Department of Mental Health, together with the Agency of Education, to make a proposal in its fiscal year 2028 budget for funding mental health literacy and peer-to-peer programming. As the Legislature knows, the Legislature cannot dictate to the Governor what will be funded in the Governor's proposed budget. This is a clear separation of powers violation.

Fortunately, the Department of Mental Health and the Agency of Education, which support the development of mental health literacy and peer-to-peer programming in schools, can make policy and budget recommendations to the Governor in connection with the 2028 budget development process without legislative direction.

Further I'm directing the Department of Mental Health, working together with the Agency of Education, to prepare an inventory of existing mental health programming and services in schools, with recommendations for integrating mental health literacy and peer-to-peer programming into existing programming and services. This will be provided to the Legislature as requested in Section 3 of H.817.

Sincerely,

Philip B. Scott
Governor

PBS/kp”

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Jaye Pershing Johnson, 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 18th day of June, 2026, he signed bills originating in the House of the following titles:

H. 933 **An act relating to miscellaneous administrative and policy changes to the tax laws**

H. 937 **An act relating to miscellaneous judiciary procedures**

H. 941 **An act relating to municipal regulation of agriculture**

H. 942 **An act relating to miscellaneous agricultural subjects**

H. 944 **An act relating to the fiscal year 2027 Transportation Program and miscellaneous changes to laws related to transportation**

H. 949 **An act relating to homestead property tax yields, the nonhomestead property tax rate, and technical changes to education finance**

H. 955 **An act relating to next steps in transforming Vermont’s education system**

Message from the Senate No. 79

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

Madam Speaker:

I am directed to inform the House that:

The Governor has informed the Senate that on the 8th day of June, he approved and signed bills originating in the Senate of the following titles:

S. 179. An act relating to the Uniform Disclaimer of Property Interests Act.

S. 214. An act relating to the provision of prekindergarten education in geographically isolated school districts.

S. 227. An act relating to creating immigration protocols in Vermont schools.

S. 232. An act relating to public libraries and the Department of Libraries.

S. 298. An act relating to voter protections.

S. 327. An act relating to economic development.

The Governor has informed the Senate that on the 16th day of June, he approved and signed bills originating in the Senate of the following titles:

S. 71. An act relating to consumer data privacy and online surveillance.

S. 189. An act relating to establishing a process for the elimination of certain hospital services.

S. 193. An act relating to establishing a forensic facility for certain criminal justice-involved persons.

S. 198. An act relating to the regulation of tobacco products and tobacco substitutes.

S. 202. An act relating to plug-in photovoltaic devices.

S. 209. An act relating to prohibiting civil arrest in sensitive locations.

S. 243. An act relating to distributing funds to the Vermont Language Justice Project.

S. 325. An act relating to regional planning and Act 250 Tier jurisdiction.

S. 326. An act relating to miscellaneous amendments to laws relating to motor vehicles.

The Governor has informed the Senate that on the 16th day of June, he returned without signature and *vetoed* a bill originating in the Senate of the following title:

S. 190. An act relating to reference-based pricing and the Green Mountain Care Board.

Text of Communication from Governor

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **Senate Bill No. S. 190**, to the Senate is as follows:

"June 16, 2026

The Honorable John Bloomer
Secretary of the Senate
State House
Montpelier, VT 05633

Dear Mr. Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning unsigned and without my approval, in the time permitted by the Constitution, S.190, *An act relating to reference-based pricing and the Green Mountain Care Board.*

All Vermonters are impacted by Vermont's health insurance costs – individuals, small and large businesses, public employee plans, and non-profits – and the Legislature must focus on system-wide savings for all, consistent with the GMCB's statutory purpose. By vetoing S.190, the savings generated by the Board's 2027 hospital revenue reductions will apply to all Vermonters paying for insurance, including those few who benefit from the passage of this bill.

This basic concern for fairness is the primary reason for this veto. Title 18 VSA 9372 clearly expresses the purpose of the Green Mountain Care Board (GMCB) in five succinct points. This bill is at odds with two of them. First, the law plainly states that reductions should apply "across all payers." Second, it calls for "achieving administrative simplification in healthcare financing and delivery." Yet this bill would exclude most payers from the affordability gains achieved in FY2027 and, in doing so, add unnecessary complexity, inequity, and cost.

Advocates for this bill have claimed it would generate significant healthcare savings. According to analysis by the Department of Financial Regulation, those claims do not hold up. The GMCB has authority to control or reduce hospital prices and revenue, so this bill is unnecessary to achieve both and Act 68 of 2025, the bipartisan bill I signed last year, already codified Reference Based Pricing.

Last year, for example, the Board reduced hospital revenues by nearly $100 million and expressed those savings in lower insurance rate increases. This year, its guidance calls for an additional $40 million in revenue reduction. I

urge the GMCB to follow-through with that policy and generate the same level of savings it otherwise would have achieved while ensuring those savings benefit all payers. They should also be cognizant of the concerns our rural, critical access hospitals have raised, several of which are opposed to S.190.

It's important for Vermonters to know that broader and meaningful healthcare affordability reforms were offered to the Legislature this session. My administration proposed a comprehensive package through H.585 and supported multiple efforts by the minority to advance these reforms through other legislation. These proposals included proven approaches that expanded affordable choices in other states. Organizations representing many of Vermont's small and independent businesses described H.585 as "…a sweeping package (H.585) to improve affordable health coverage options …" and recognized it as a "serious attempt at health insurance reform." Yet these proposals – and the concerns of Vermont's small businesses – were largely ignored by the legislative majority. We also supported the proposal from the Vermont School Boards Association, which they advocated would have lowered VEHI healthcare costs and thus property tax pressure. Unfortunately, this proposal was also rejected by the majority in Legislature.

While reasonable people may disagree on the best path forward, Vermont will not solve its affordability crisis by directing savings to some payers while excluding others. Lasting progress will require structural reforms that expand affordability, increase choices, and ensure savings are shared broadly across the system. For these reasons, I intend to advance several key provisions of H.585 through executive action. The remaining changes will require a more moderate Legislature willing to move beyond the policies and politics of the past (see failed single payer and some of what was left behind).

Vermonters need quality healthcare and affordable insurance options. Rising costs are putting pressure on patients, providers, hospitals, employers, and taxpayers alike. Our focus must remain on delivering improvements to everyone paying into the system. By vetoing S.190, the savings generated by the GMCB's revenue reductions can be applied fairly and consistently across *all* Vermonters paying for health insurance, including those the bill sought to unfairly favor.

Sincerely,

Philip B. Scott
Governor

PBS/k"

The Governor has informed the Senate that on the 18th day of June, he approved and signed bills originating in the Senate of the following titles:

S. 64. An act relating to amendments to the scope of practice for optometrists.

S. 142. An act relating to a pathway to licensure for internationally trained physicians.

S. 197. An act relating to reform for primary care.

S. 212. An act relating to potable water supply and wastewater system connections.

S. 223. An act relating to water quality of the waters of Vermont.

S. 278. An act relating to cannabis.

S. 313. An act relating to transforming Vermont's career technical education system.

S. 323. An act relating to miscellaneous agricultural subjects.

S. 328. An act relating to housing and common interest communities.

The Governor has informed the Senate that on the 18th day of June, he returned without signature and *vetoed* a bill originating in the Senate of the following title:

S. 230. An act relating to fair employment practices.

Text of Communication from Governor

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **Senate Bill No. S. 230**, to the Senate is as follows:

"June 18, 2026

The Honorable John Bloomer
Secretary of the Senate
State House
Montpelier, VT 05633

Dear Mr. Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning unsigned and without my approval, in the time permitted by the Constitution, S.230, *An act relating to fair employment practices.*

This bill was in response to the Vermont State Employees Association's (VSEA) desire to limit the access of other labor organizations to Department of Corrections (DOC) employees for union organizing purposes. This legislative intervention blatantly favoring one union over others would circumvent the rights of DOC employees to form and join a union of their own choosing.

While I do not understand why this bill passed in the first place, the Legislature had the foresight to add previously agreed upon provisions within S.230 to S.313, in anticipation of my objection to being pulled into the gamesmanship between unions. As a result, and as the Legislature was made aware, this bill is completely unnecessary.

For these reasons I'm vetoing S.230.

Sincerely,

Philip B. Scott
Governor

PBS/kp"

MEMBERS APPOINTED AFTER FINAL ADJOURNMENT

County and Regional Governance Study Committee Appointments

Pursuant to 2024, Act No. 118 (S.159), Sec. 1, as amended by 2026, Act No. 96 (H.762), Sec. 1, the Speaker appointed the following members to the County and Regional Governance Study Committee:

Rep. Carris Duncan of Whitingham
Rep. Higley of Lowell
Rep. Lalley of Shelburne

Joint Information Technology Oversight Committee Appointment

Pursuant to 2 V.S.A. § 614, the Speaker appointed the following member to the Joint Information Technology Oversight Committee to fill the vacancy caused by the resignation of Rep. James of Manchester from the Committee:

Rep. Torre of Moretown

Vocational Rehabilitation Working Group Appointment

Pursuant to 2026, Act No. 107 (S.173), Sec. 2, the Speaker appointed the following member to the Vocational Rehabilitation Working Group:

Rep. Graning of Jericho

Vermont-Ireland Trade Commission Appointment

Pursuant to 9 V.S.A. § 4129, the Speaker appointed the following member to the Vermont-Ireland Trade Commission:

Rep. Sweeney of Shelburne

Sister State Program Committee Appointment

Pursuant to 3 V.S.A. § 2479, as added by 2026, Act No. 157 (H.907), Sec. 32, the Speaker appointed the following member to the Sister State Program Committee:

Rep. Graning of Jericho

Education Commission of the States Appointment

Pursuant to 16 V.S.A. § 1503, as added by 2026, Act No. 160 (H.931), Sec. 2, the Speaker appointed the following member to the Education Commission of the States:

Rep. Brady of Williston

Joint Legislative Environmental Oversight Committee Appointments

Pursuant to 2 V.S.A. § 1031, as added by 2026, Act. No. 152 (S.325), Sec. 10, the Speaker appointed the following members to the Joint Legislative Environmental Oversight Committee:

Rep. Sheldon of Middlebury
Rep. Chapin of East Montpelier
Rep. North of Ferrisburgh

Water Quality, Lake Classification, and Antidegradation Study Group Appointments

Pursuant to 2026, Act No. 175 (S.223), Sec. 1, the Speaker appointed the following members to the Water Quality, Lake Classification, and Antidegradation Study Group:

Rep. Sheldon of Middlebury
Rep. Satcowitz of Randolph
Rep. M. Morgan of Milton

Opioid Settlement Advisory Committee Appointment

Pursuant to 18 V.S.A. § 4772, the Speaker reappointed the following member to the Opioid Settlement Advisory Committee:

Rep. Maguire of Rutland City

Pension and Benefits Funding Task Force Member

Pursuant to 2026, Act No. 131 (H.567), Sec. 7, as Chair of the Committee on Appropriations, the following Representative is an *ex officio* member of the Pension and Benefits Funding Task Force:

Rep. Scheu of Middlebury

State House Entryway Design Special Committee Members

Pursuant to 2026, Act No. 163 (H.952), Sec. 22, as members of the Joint Legislative Management Committee and as Chair of the Committee on Corrections and Institutions, the following Representatives are members of the State House Entryway Design Special Committee:

Rep. Krowinski of Burlington
Rep. Dolan of Essex Junction
Rep. McCoy of Poultney
Rep. Wood of Waterbury
Rep. Emmons of Springfield

Cybersecurity Advisory Council Member

Pursuant to 20 V.S.A. § 4662, as amended by 2026, Act No. 138 (H.211), Sec. 3, as Chair of the Committee on Energy and Digital Infrastructure, the following Representative is an *ex officio* member of the Cybersecurity Advisory Council:

Rep. James of Manchester

Concentrated Animal Feeding Operation Permit Program Working Group Appointment

Pursuant to 10 V.S.A. § 1354, as added by 2026, Act No. 178 (S.323), Sec. 22, the Speaker appointed the following member to the Concentrated Animal Feeding Operation Permit Program Working Group:

Rep. Nelson of Derby

Green Mountain Care Board Nominating Committee Appointments

Pursuant to 18 V.S.A. § 9390, the Speaker appointed the following members to the Green Mountain Care Board Nominating Committee:

Rep. Black of Essex
Rep. Kascenska of Burke

Land Use Review Board Nominating Committee Appointment

Pursuant to 10 V.S.A. § 6032, the Speaker appointed the following member to the Land Use Review Board Nominating Committee:

Rep. Sheldon of Middlebury

VSAC Board of Directors Appointment

Pursuant to 16 V.S.A. § 2831, the Speaker appointed the following member to the Vermont Student Assistance Corporation (VSAC) Board of Directors:

Rep. Cooper of Pownal