

VBA Legislative Update – Week 18 May 17, 2025

→ FY 26 Budget Receives Final Approval – Off to the Governor

On Friday, the FY26 Budget received final approval from the legislature. It's now off to the Governor to (hopefully) be signed into law.

As we reported last week, the approval of the budget usually means that the legislature is hours from adjournment. Not this year! Current estimates are for a June 6 adjournment...

The [FY26 final budget agreement](#) addresses many of the ongoing challenges Vermont faces, including the end of COVID-related federal funding, human services caseload and utilization pressures, and stabilizing property tax growth. To develop this budget, the Committee of Conference worked with administration officials, standing committees and many interested stakeholders, including members of the public and legislators who testified at public hearings or submitted written testimony during the budget building process.

General Fund appropriations total \$2.4 billion and \$190.8 million is transferred to other funds and reserves. \$2.5 million remains unspent (unreserved and unallocated) for future budget needs. Total appropriations from all funds (unduplicated) are \$9.1 billion.

Base Appropriations Include:

◆ Housing

- Fully funds the Vermont Housing and Conservation Board (VHCB) at statutory level of \$36.9 million
- Provides \$2.0 million to the Department of Housing and Community Development (DHCD) for the Manufactured Home Improvement and Repair Program (MHIR)
- Adds \$1.6 million for the Land Access Opportunity Board previously funded as a one-time expenditure
- Provides \$29.7 million for the Housing Opportunity Grant Program (HOP) that assists homeless individuals in addition to \$3.35 million added to support new shelters opened in fiscal year 2025
- Maintains \$446,253 to address youth homelessness
- Maintains \$8.1 million base appropriation for General Assistance Emergency Housing

◆ Human Services

- Provides a 5% rate increase for infant and toddler care in the Child Care Financial Assistance Program (CCFAP)
- Provides \$5.1 million General Fund (\$12.1 million Global Commitment) for 2% rate increases for Designated Agencies, Specialized Service Agencies, and other non-Home Health Agency service providers

- Adds \$360,000 General Fund (\$855,000 Global Commitment) for alternatives to Emergency Room beds
- Funds Howard Center Outreach Program with \$160,000 General Fund and First Call grants that embed clinicians in pediatric offices with \$249,411 General Fund

◆ Health Care

- Provides \$4.5 million General Fund (\$10.7 million Global Commitment) for rate increases to Federally Qualified Health Centers (FQHCs) and Rural Health Centers (RHCs)
- Adds \$2.8 million General Fund (\$6.8 million Global Commitment) for match for Home and Community Based Services based on 2023 Rate Study
- Adds \$15.4 million Global Commitment for statutory nursing home rate increase and nursing home beds
- Provides \$5.7 million General Fund for the Vermont Veterans' Home budget

◆ Other

- Provides a 3% increase to the University of Vermont (UVM), Vermont State Colleges (VSC), and the Vermont Student Assistance Corporation (VSAC)
- Establishes two new positions at the Human Rights Commission
- Establishes a process to manage moderate reductions to federal funds when the General Assembly is not in session and establishes a contingent appropriations list including resources to help mitigate any changes in available federal funds.

FY 2026 One-Time Appropriations Include:

◆ Housing

- \$30.5 million General Fund to DCF for General Assistance Emergency Housing
- \$2.0 million General Fund to DCF's Office of Economic Opportunity (DCF-OEO) for shelter bed expansion
- \$5.0 million General Fund to VHCB for housing initiatives
- \$2.8 million General Fund to VHCB for developmental disability housing initiatives per Act 186 (2022)
- \$4.0 million General Fund to DHCD for the Vermont Housing Improvement Program 2.0 (VHIP 2.0)
- \$16.1 million General Fund to DHCD for the Vermont Housing Finance Agency (VHFA) Middle-Income Homeownership Development and First Generation Homebuyer programs and the Rental Revolving Loan Fund
- \$7.5 million General Fund to DHCD for the Vermont Bond Bank Infrastructure Sustainability Fund
- \$235,000 General Fund to the Department of Disabilities, Aging and Independent Living (DAIL) for Home Share

◆ Health Care and Human Services

- \$10.8. million Global Commitment to AHS for Support and Services at Home (SASH) and Blueprint for Health programs

- \$840,000 General Fund to the Department of Vermont Health Access (DVHA) for Comprehensive Payment Reform
- \$3.1 million General Fund to DVHA for the OneCare Primary Care Transition
- \$40,000 General Fund to the Department of Health (VDH) for Empty Arms Vermont
- Additional \$1.3 million Substance Misuse Prevention Fundings for recovery centers (\$800,000), recovery residences (\$300,000), and Mentor Vermont (\$200,000)

◆ Higher Education

- \$5.0 million General Fund to VSC for the final transformation bridge funding payment
- \$1.5 million General Fund to VSAC for Freedom and Unity grants

◆ Other General Fund One-Time Highlights

- Transfers \$77.2 million to the Education Fund be used for property tax relief
- \$450,000 to the Agency of Agriculture, Food and Markets (AAFM) for a grant to the Northeast Organic Farming Association of Vermont for the Crop Cash, Crop Cash Plus and Farm Share programs
- \$500,000 to AAFM for a grant to Vermont Foodbank for the Vermonters Feeding Vermonters Program
- \$1.1 million to the Agency of Administration for the Truth and Reconciliation Commission
- \$148,000 to the Treasurer for the Volunteer Income Tax Assistance Program (VITA)

→ Local Headlines of Note

- [Vermont legislators send 2026 budget proposal to Gov. Phil Scott after making cuts](#)
- [Vermont has paused PCB testing in schools, but cleanup costs keep piling up](#)
- [With federal cuts on the horizon, the Vermont Legislature builds a reserve](#)
- [Vermont Supreme Court holds Vorsteveld farm in contempt, clouding farm's expansion bid](#)
- [This year's main Vermont housing policy gets mired in legislative disagreement](#)
- [The former Montpelier post office building is up for sale. Could it serve the city or state?](#)
- [Final Reading: Is Vermont's electrical grid safe from hackers?](#)
- [In executive order, Gov. Phil Scott pauses electric vehicle sale mandates](#)
- [Rural Families Feel Disempowered in the Face of Efforts to Reshape Their Schools](#)

→ VBA Bill Report

VBA BILL REPORT – WEEK 18			
May 17, 2025			
Bill	Sponsors	Description	Status
MOVING BILLS			

H 339	House Committee on Government Operations and Military Affairs	<p>An Act Relating to Removing the Repeal Of 7 VSA § 230</p> <p>This bill proposes to remove the repeal of 7 V.S.A. § 230 (sale of alcoholic beverages for off-premises consumption).</p>	<p>Status:</p> <p>Passed by House and Senate</p> <p>Awaiting delivery to Governor</p>
S.131	Sen. Phil Baruth	<p>An act relating to approval of an amendment to the charter of the City of Burlington relating to the possession of firearms</p> <p>This bill proposes to approve an amendment to the charter of the City of Burlington to prohibit the possession of firearms in any building or on any real property or parking area under the ownership or control of an establishment licensed to serve alcohol for on- premises consumption.</p>	<p>Committee: House Government Operation and Military Affairs</p> <p>Status:</p> <p>Passed the Senate</p>
BILLS NOT MOVING THIS YEAR			
H 24	Rep. Anne Donahue	<p>An Act Relating to Requiring Retail Businesses to Accept Cash</p> <p>This bill proposes to prohibit a retail business from refusing to accept cash payment.</p>	<p>Committees: House Commerce and Economic Development</p> <p>Status:</p> <p>Read first time and referred to the Committee on Commerce and Economic Development (01/09/25)</p>
H 45	Rep. Mary-Katherine Stone; Rep. Tiffany Bluemle; Rep. Abbey Duke; Rep. Barbara Rachelson; Rep. Bram Kleppner; Rep. Kate Logan; Rep. Robert Hooper; Rep. Troy Headrick	<p>An Act Relating to Prohibiting Possession of Firearms on Premises Where Alcohol Is Licensed To Be Served</p> <p>This bill proposes to prohibit possession of firearms on premises where alcohol is licensed to be served and to require that notice of the prohibition be posted at each premises.</p>	<p>Committees: House Judiciary</p> <p>Status:</p> <p>Read first time and referred to the Committee on Judiciary (01/21/25)</p>
H 51	Rep. Lucy Boyden; Rep. Matthew Birong	<p>An Act Relating to Miscellaneous Amendments to The Statutes Governing Alcoholic Beverages</p> <p>This bill proposes to: (1) authorize the holder of a fourth-class license to sell its products to not more than eight additional manufacturers or rectifiers; and (2) authorize manufacturers of malt beverages to</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status:</p> <p>Read first time and referred to the Committee on Government Operations and Military Affairs (01/21/25)</p>

		acquire a retail shipping license and ship malt beverages to first- and second-class licensees.	
H 110	Rep. Lucy Boyden	<p>An Act Relating to A Reciprocity Requirement for Out-of-state Consumer Shipping Licenses</p> <p>This bill proposes to limit the issuance of out-of-state malt beverage consumer shipping licenses to breweries that are located in states that allow Vermont brewers to acquire consumer shipping licenses.</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read first time and referred to the Committee on Government Operations and Military Affairs (01/28/25)</p>
H 119	Rep. Carolyn Branagan	<p>An Act Relating to The Beverage Container Redemption System</p> <p>This bill proposes to expand the scope of the beverage container redemption system to include cider, hard kombucha, noncarbonated water, and noncarbonated soft drinks. The bill also would increase the deposit for a container from five cents to 10 cents.</p>	<p>Committees: House Environment</p> <p>Status: Read first time and referred to the Committee on Environment (01/29/25)</p>
H 144	Rep. Brian Minier; Bridget Burkhardt; Rep. Emilie Krasnow; Rep. Kate Logan; Rep. Laura Sibilia; Rep. Leonora Dodge; Rep. Lisa Hango; Rep. Michelle Bos-Lun	<p>An Act Relating to Enhancing Food Allergen Awareness in Food Service Establishments</p> <p>This bill proposes to require owners and operators of food service establishments to designate employees to complete a food allergen training program. It further proposes to require food service establishments to post signage regarding food allergens.</p>	<p>Committees: House Human Services</p> <p>Status: Read first time and referred to the Committee on Human Services (02/05/25)</p>
H 260	Rep. Esme Cole; Rep. Monique Priestley; Rep. Ela Chapin; Herb Olson; Rep. Jubilee McGill; Rep. Kate McCann; Rep. Kate Nugent; Rep. Mary Howard; Robert "Rob" North; VL Coffin	<p>An Act Relating to Prohibiting Certain Substances in Food Manufactured, Sold, Or Distributed in Vermont</p> <p>This bill proposes to prohibit the manufacture, sale, delivery, or distribution in commerce of food containing brominated vegetable oil, potassium bromate, propylparaben, or red dye no. 3.</p>	<p>Committees: House Human Services</p> <p>Status: Read first time and referred to the Committee on Human Services (02/19/25)</p>

H 376	Rep. Kate Nugent; Rep. Brian Cina; Rep. Carol Ode; Rep. Jubilee McGill; Rep. Mari Cordes; Rep. Michelle Bos-Lun; Rep. Monique Priestley; Rep. Phil Pouech; Rep. Troy Headrick	<p>An Act Relating to The Creation Of The Treatment And Recovery Fund And The Labeling And Taxation of Alcoholic Beverages</p> <p>This bill proposes to (1) require all alcoholic beverages sold in the State to bear a label containing a statement of the alcohol content in U.S. Standard Drinks; (2) increase the gallonage taxes on malt beverages and vinous beverages; (3) increase the excise tax on spirits; (4) create the Treatment and Recovery Fund, dedicate the proceeds of the gallonage tax to the Fund, and establish the purposes for which monies from the Fund may be disbursed; and (5) require the Division of Liquor Control t...</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read first time and referred to the Committee on Government Operations and Military Affairs (02/26/25)</p>
H 377	Rep. Barbara Rachelson; Rep. Chea Waters Evans	<p>An Act Relating to The Local Media Advertising Tax Credit</p> <p>This bill proposes to create an income tax credit for small businesses that purchase advertising in local media outlets.</p>	<p>Committees: House Ways and Means</p> <p>Status: Read first time and referred to the Committee on Ways and Means (02/26/25)</p>
S 88	Sen. Wendy Harrison; Sen. Alison Clarkson; Sen. Anne Watson; Joseph "Joe" Major; Sen. Randolph Brock; Sen. Rebecca White; Robert "Rob" Plunkett	<p>An Act Relating to Creating an Enhanced Growth Incentive For Employee-owned Businesses</p> <p>This bill proposes to create a new enhanced incentive for locally owned and controlled employee-owned businesses within the Vermont Employment Growth Incentive Program (VEGI).</p>	<p>Committees: Senate Economic Development, Housing and General Affairs</p> <p>Status: Read 1st time & referred to Committee on Economic Development, Housing and General Affairs (02/25/25)</p>