

1 H.105

2 Introduced by Representatives Sims of Craftsbury, Anthony of Barre City,
3 Austin of Colchester, Bos-Lun of Westminster, Boyden of
4 Cambridge, Burke of Brattleboro, Burrows of West Windsor,
5 Demrow of Corinth, Elder of Starksboro, Farlice-Rubio of
6 Barnet, Goldman of Rockingham, Headrick of Burlington,
7 Masland of Thetford, Mrowicki of Putney, Nicoll of Ludlow,
8 Pajala of Londonderry, Pouech of Hinesburg, Surprenant of
9 Barnard, and Torre of Moretown

10 Referred to Committee on

11 Date:

12 Subject: Municipality; emergency management; disaster mitigation;
13 appropriation; grant program

14 Statement of purpose of bill as introduced: This bill proposes to create the
15 Community Resilience and Disaster Mitigation Grant Program and the
16 Community Resilience and Disaster Mitigation Fund. This bill also increases
17 the assessment on certain insurance company premiums for the Community
18 Resilience and Disaster Mitigation Fund.

19 An act relating to the Community Resilience and Disaster Mitigation Fund

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

2 Sec. 1. FINDINGS

3 The General Assembly finds that:

4 (1) Global climate change is a fundamental threat to Vermont's
5 economy, environment, and way of life.

6 (2) Over the last 40 years, there have been large-scale shifts in weather
7 patterns, including a measurable increase in catastrophic weather events, both
8 locally and globally. During this time, our State has become both warmer and
9 wetter, and this in turn has led to increasingly frequent and severe damaging
10 weather events.

11 (3) Although climate action and the work needed to reduce greenhouse
12 gas (GHG) emissions is accelerating, given the emissions that have already
13 occurred, it is expected that these patterns of warming temperatures and
14 increasing precipitation will continue for many years.

15 (4) Escalating severe weather events and weather extremes, such as
16 record high temperatures and record rainfall events, have resulted and will
17 continue to result in increased residential and commercial property losses,
18 including for structural damage, relocation expenses, and loss of income.

19 (5) From 2010 to 2019, extreme weather caused significant insured
20 losses, which amounted to more than \$67,000,000.00 across Vermont from

1 approximately 12 percent of all statewide personal auto, homeowners, and
2 farmowners policyholders.

3 (6) Local governments are on the forefront of responding to these
4 challenges and possess significant experience and expertise in addressing
5 them.

6 (7) Although State and federal funding is routinely made available to
7 help local communities with immediate disaster response needs, there is no
8 long-term, consistent source of funds to support the investments needed to
9 prevent disasters from happening and to make local communities more
10 resilient against future disasters.

11 (8) Making these investments will decrease losses that would otherwise
12 be largely paid by insurers, and funding for ongoing mitigation efforts should
13 be related to property and casualty insurance products.

14 Sec. 2. 20 V.S.A. § 48 is added to read:

15 § 48. COMMUNITY RESILIENCE AND DISASTER MITIGATION

16 GRANT PROGRAM

17 (a) Program established. There is established the Community Resilience
18 and Disaster Mitigation Grant Program to award grants to covered
19 municipalities to provide support for disaster mitigation activities.

1 (b) Definition. As used in this section, “covered municipality” means a
2 city, town, fire district or incorporated village, and all other governmental
3 incorporated units.

4 (c) Administration; implementation.

5 (1) Grant awards. The Department of Public Safety shall administer the
6 Program, which shall award grants for the following:

7 (A) technical assistance on natural disaster mitigation to
8 municipalities; and

9 (B) projects that implement disaster mitigation measures, including
10 slope stabilization, watershed restoration, fuels mitigation, drought mitigation,
11 and similar activities that directly reduce risks to communities, lives, and
12 property.

13 (2) Grant Program design. The Department of Public Safety shall
14 design the Program. The Program design shall:

15 (A) establish an equitable system for distributing grants statewide on
16 the basis of need according to a system of priorities, including the following,
17 ranked in priority order:

18 (i) projects that use funding as a match for other grants,
19 including grants from the Federal Emergency Management Agency

20 (FEMA);

21 (ii) projects that are in hazard mitigation plans; and

1 (iii) projects that are in communities identified as a high on
2 the municipal vulnerability index, as determined by the Vermont
3 Climate Council;

4 (B) establish guidelines for disaster mitigation measures and costs
5 that will be eligible for grant funding; and

6 (C) establish eligibility criteria for covered municipalities.

7 Sec. 3. 20 V.S.A. § 49 is added to read:

8 § 49. COMMUNITY RESILIENCE AND DISASTER MITIGATION

9 FUND

10 (a) Creation. There is established the Community Resilience and Disaster
11 Mitigation Fund to provide funding to the Community Resilience and Disaster
12 Mitigation Grant Program established in section 48 of this title. The Fund
13 shall be administered by the Department of Public Safety.

14 (b) Monies in the Fund. The Fund shall consist of:

15 (1) monies appropriated to the Fund; and

16 (2) any amounts deposited into the Fund from the premium assessment
17 set forth in 32 V.S.A. § 8557.

18 (c) Fund administration.

19 (1) The Commissioner of Finance and Management may anticipate
20 receipts to this Fund and issue warrants based thereon.

1 (2) The Commissioner of Public Safety shall maintain accurate and
2 complete records of all receipts by and expenditures from the Fund.

3 (3) All balances remaining at the end of a fiscal year shall be carried
4 over to the following year.

5 (d) Reports. On or before January 15 each year, the Commissioner of
6 Public Safety shall submit a report to the House Committee on Environment
7 and Energy and the Senate Committee on Natural Resources and Energy with
8 an update on the expenditures from the Fund. For each fiscal year, the report
9 shall include a summary of each project receiving funding. The provisions of
10 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to
11 be made under this subsection.

12 Sec. 4. COMMUNITY RESILIENCE AND DISASTER MITIGATION
13 GRANT PROGRAM; APPROPRIATION

14 In fiscal year 2024, the amount of \$15,000,000.00 in general funds shall be
15 appropriated to the Community Resilience and Disaster Mitigation Fund
16 established in 20 V.S.A. § 49.

17 Sec. 5. 32 V.S.A. § 8557 is amended to read:

18 § 8557. ~~VERMONT FIRE SERVICE TRAINING COUNCIL~~ PREMIUM
19 ASSESSMENT; INSURANCE COMPANIES

20 (a) Assessment.

1 (1) Annually, on or before July 1, the Commissioner of Financial
2 Regulation shall impose an assessment totaling not more than \$4,300,000.00
3 on all insurance companies, writing fire, homeowners multiple peril, allied
4 lines, farm owners multiple peril, commercial multiple peril (fire and allied
5 lines), private passenger and commercial auto, and inland marine policies on
6 property and persons situated within the State of Vermont. Captive companies
7 shall be excluded from the effect of this section.

8 (2) The Commissioner shall apportion such charges among all such
9 companies based on the amounts set forth in this section and shall assess them
10 for the charges on a fair and reasonable basis as a percentage of their gross
11 direct written premiums on such insurance written during the second prior
12 calendar year on property situated in the State. The assessment shall be
13 imposed within 30 days after notice from the Commissioner of Financial
14 Regulation of such estimated expenses.

15 (3) The Department of Taxes shall collect all assessments under this
16 section.

17 (4) All administrative provisions of chapter 151 of this title, including
18 those relating to the collection and enforcement of the income tax by the
19 Commissioner, shall apply to this section.

20 (b) Vermont Fire Service Training Council. Sums for the expenses of the
21 operation of training facilities and curriculum of the Vermont Fire Service

1 ~~Training Council~~ An amount not to exceed \$1,200,000.00 per year of the
2 assessment described in subsection (a) of this section shall be paid to the Fire
3 Safety Special Fund created by 20 V.S.A. § 3157 ~~by insurance companies,~~
4 ~~writing fire, homeowners multiple peril, allied lines, farm owners multiple~~
5 ~~peril, commercial multiple peril (fire and allied lines), private passenger and~~
6 ~~commercial auto, and inland marine policies on property and persons situated~~
7 ~~within the State of Vermont within 30 days after notice from the~~
8 ~~Commissioner of Financial Regulation of such estimated expenses. Captive~~
9 ~~companies shall be excluded from the effect of this section.~~

10 ~~(2) The Commissioner shall annually, on or before July 1, apportion such~~
11 ~~charges among all such companies and shall assess them for the charges on a~~
12 ~~fair and reasonable basis as a percentage of their gross direct written premiums~~
13 ~~on such insurance written during the second prior calendar year on property~~
14 ~~situated in the State. The Department of Taxes shall collect all assessments~~
15 ~~under this section.~~

16 ~~(3) An~~ Of this sum, an amount not less than \$100,000.00 shall be
17 specifically allocated to the provision of what are now or were formerly
18 referred to as Level I, units I, II, and III (basic) courses for entry-level
19 firefighters.

20 ~~(4)(c)~~ Emergency Medical Services. An amount not less than
21 \$150,000.00 of the assessment described in subsection (a) of this section shall

1 be specifically allocated to the Emergency Medical Services Special Fund
2 established under 18 V.S.A. § 908 for the provision of training programs for
3 certified Vermont EMS first responders and licensed emergency medical
4 responders, emergency medical technicians, advanced emergency medical
5 technicians, and paramedics.

6 ~~(5) The Department of Health shall present a plan to the Joint Fiscal~~
7 ~~Committee that shall review the plan prior to the release of any funds.~~

8 ~~(b) All administrative provisions of chapter 151 of this title, including those~~
9 ~~relating to the collection and enforcement of the income tax by the~~
10 ~~Commissioner, shall apply to this section.~~

11 (d) Allocation. An amount not less than \$3,000,000.00 of the assessment
12 described in subsection (a) of this section shall be specifically allocated to the
13 Community Resilience and Disaster Mitigation Fund established in 20 V.S.A.
14 § 48.

15 Sec. 6. EFFECTIVE DATE

16 This act shall take effect on July 1, 2023.