



VERMONT LEGISLATIVE
Joint Fiscal Office

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Fiscal Note

March 11, 2026

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H.674 – An act relating to the creation of the Vermont Sister State Program

As recommended by the House Committee on Appropriations, Draft 1.1¹

Bill Summary

This bill would create the Vermont Sister State Program within the Agency of Commerce and Community Development (ACCD). The bill would also create a Sister State Program Committee to oversee the Program. The bill also makes several changes to the Vermont-Ireland Trade Commission.

The Sister State Program Committee is expected to cost up to \$4,300 to the General Assembly and \$5,300 to ACCD.

Fiscal Impact

Members of the Committee created in Section 1 would be entitled to per diem compensation and expense reimbursement for not more than eight meetings per year, at an estimated cost of approximately \$4,300 to the General Assembly and \$5,300 to ACCD, assuming eight meetings.

Though some of the proposed changes related to the Vermont-Ireland Trade Commission are of a fiscal nature, they are not expected to have a fiscal impact to the State.

Background and Details

Section 1: Vermont Sister State Program

Section 1 proposes to enact the Vermont Sister State Program into Title 3. The stated purpose of the proposed Vermont Sister State Program, as recommended, is to strengthen Vermont's international engagement and to foster mutually beneficial relationships with national and subnational governments abroad, with a goal of promoting cultural exchange, economic development, and educational cooperation.

¹ The Joint Fiscal Office (JFO) is a nonpartisan legislative office dedicated to producing unbiased fiscal analysis – this fiscal note is meant to provide information for legislative consideration, not to provide policy recommendations.

The program would be administered by ACCD but overseen by a nine-member Sister State Program Committee comprised of the following:

- The Secretary of Commerce and Community Development or designee;
- One member of the House of Representatives, appointed by the Speaker of the House;
- One member of the Senate, appointed by the Committee on Committees;
- The Chair of the Board of Trustees of the Vermont Council on World Affairs or designee;
- The Vermont Adjutant General or designee;
- The Chair of the Board of Trustees of the Vermont Arts Council or designee; and
- Three members, as follows:
 - One member with expertise in cultural exchange or in Peace Corps operations, appointed by the Governor;
 - One member representing a private institution of higher education, appointed by the Committee on Committees; and
 - One member representing a public institution of higher education, appointed by the Speaker.

Members of the Committee would generally serve two-year terms and meet at least once quarterly.

ACCD would be charged with developing an application process in consultation with the Committee. The Committee would then review these applications and make recommendations to the Governor, only sending those applications that it recommends be approved. The Governor would have sole authority to issue final approval or disapproval of a Sister State Program application. Once approved, ACCD would then finalize a memorandum of understanding between the State and the applicant. The Committee would have sole authority to terminate an active Sister State Program partnership.

The Committee would be required to submit an annual report by January 15 to the Governor, the House Committee on Commerce and Economic Development, and the Senate Committee on Economic Development, Housing and General Affairs.

Legislative members of the Committee who meet during adjournment of the General Assembly, and other members who are not State employees, would be entitled to per diem compensation and expense reimbursement for not more than eight meetings per year. These costs would be approximately \$4,300 to the budget of the General Assembly for the legislative members, and \$5,300 to ACCD for the other members, assuming eight meetings. Actual costs will vary based on meeting frequency, attendance, and expense reimbursements (e.g., mileage).

Implementing this program will ultimately require the staff and administrative resources of ACCD, but the cost of that is difficult to accurately quantify or estimate at this early stage.

Section 2: Vermont-Ireland Trade Commission

Section 2, as recommended, contains several amendments to the statute governing the Vermont-Ireland Trade Commission that pertain to fiscal issues but do not represent a direct fiscal impact to the State.

Current law authorizes the Commission to raise funds, through direct solicitation or other fundraising events, alone or with other groups, and accept donations, grants, and bequests from individuals, corporations, foundations, governmental agencies, and public and private organizations and institutions. These funds are managed by the Office of the State Treasurer.

Section 2 would require that the Commission work in coordination with the Office of the State Treasurer to submit a written annual report that would include (in addition to existing disclosure requirements for in-kind contributions) a detailed accounting of:

- the administrative expenses that have been paid with funds raised by the Commission; and
- the funds raised and donations, grants, and bequests received by the Commission including the name, country of residence, and amount donated of each contributor.

Section 2 would also narrow the allowable uses of funds, donations, grants, or bequests received by the Commission to “administrative expenses.” For the purposes of this section, “administrative expenses” does not include any expenses related to:

- campaign or election activity;
- food or beverages provided at official Commission meetings; or
- other expenses that are not specific to the administrative functions of the Commission.

Members of the Commission would not be entitled to any compensation or reimbursement of expenses from funds received by the Commission (or from the State, as under current law).

Section 2a would require the Commission to submit a written report by December 1, 2029, to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs with a summary of its accomplishments since inception, a detailed analysis as to how it has served its legislative purpose, an accounting on funds raised, and details on gifts received since its inception.

ⁱ The full fiscal note history is available on the fiscal tab of the bill page on the General Assembly website and can be pulled up through a bill number search on the JFO page.