

1 S.100- Representative Bongartz’s Proposal

2 S.100

3 An act relating to housing opportunities made for everyone

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

5 * * * Municipal Zoning * * *

6 Sec. 1. 24 V.S.A. § 4414 is amended to read:

7 § 4414. ZONING; PERMISSIBLE TYPES OF REGULATIONS

8 * * *

9 (4) Parking and loading facilities. A municipality may adopt provisions
10 setting forth standards for permitted and required facilities for off-street
11 parking and loading, which may vary by district and by uses within each
12 district. In any district that is served by municipal sewer and water
13 infrastructure that allows residential uses, a municipality shall not require more
14 than one parking space per dwelling unit. However, a municipality may
15 require 1.5 parking spaces for duplexes and multi-unit dwellings in areas not
16 served by water and sewer and in areas that are located more than one-quarter
17 mile away from public parking rounded down to the nearest whole number
18 when calculating the total number of spaces. These bylaws may also include
19 provisions covering the location, size, design, access, landscaping, and
20 screening of those facilities. In determining the number of parking spaces for
21 nonresidential uses and size of parking spaces required under these regulations,
22 the appropriate municipal panel may take into account the existence or

1 availability of employer “transit pass” and rideshare programs, public transit
2 routes, and public parking spaces in the vicinity of the development. ~~However,~~
3 ~~a municipality shall not require an accessory dwelling unit to have more than~~
4 ~~one parking space per bedroom.~~

5 * * *

6 Sec. 2. 24 V.S.A. § 4412 is amended to read:

7 § 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

8 Notwithstanding any existing bylaw, the following land development
9 provisions shall apply in every municipality:

10 (1) Equal treatment of housing and required provisions for affordable
11 housing.

12 * * *

13 (D) Bylaws shall designate appropriate districts and reasonable
14 regulations for multiunit or multifamily dwellings. No bylaw shall have the
15 effect of excluding these multiunit or multifamily dwellings from the
16 municipality. In any district that allows year-round residential development,
17 duplexes shall be a permitted use and shall be subject to the same dimensional
18 standards as a single-unit dwelling. Municipalities shall not adopt a maximum
19 residential density standard that prevents a duplex from being permitted on a
20 legally existing lot. In any district that is served by municipal sewer and water

1 infrastructure that allows residential development, multiunit dwellings with
2 four or fewer units shall be a permitted use.

3 (E) Except for flood hazard and fluvial erosion area bylaws adopted
4 pursuant to section 4424 of this title, no bylaw shall have the effect of
5 excluding as a permitted use one accessory dwelling unit that is located within
6 or appurtenant to a single-family dwelling on an owner-occupied lot. A bylaw
7 ~~may~~ shall require a single-family dwelling with an accessory dwelling unit to
8 be subject to the same review, dimensional, or other controls as required for a
9 single-family dwelling without an accessory dwelling unit. The criteria for
10 conversion of an existing detached nonresidential building to habitable space
11 for an accessory dwelling unit shall not be more restrictive than the criteria
12 used for a single-family dwelling without an accessory dwelling unit. An
13 “accessory dwelling unit” means a distinct unit that is clearly subordinate to a
14 single-family dwelling, and has facilities and provisions for independent living,
15 including sleeping, food preparation, and sanitation, provided there is
16 compliance with all the following:

17 (i) The property has sufficient wastewater capacity.

18 (ii) The unit does not exceed 30 percent of the total habitable floor
19 area of the single-family dwelling or 900 square feet, whichever is greater.

20 * * *

1 (15)(A) As used in this section, an area “served by municipal water and
2 sewer infrastructure” means:

3 (i) that residential connections and expansions are available to
4 municipal water and direct and indirect discharge wastewater systems and not
5 prohibited by:

6 (I) State regulations or permits;

7 (II) identified capacity constraints; or

8 (III) municipally adopted service and capacity agreements; or

9 (ii) areas established by the municipality by ordinance or bylaw
10 that:

11 (I) exclude flood hazard or inundation areas as established by
12 statute, river corridors or fluvial erosion areas as established by statute,
13 shorelands, within a zoning district or overlay district whose purpose is natural
14 resource protection, and wherever year-round residential development is not
15 allowed;

16 (II) reflect identified service limits established by State
17 regulations or permits, identified capacity constraints, or municipally adopted
18 service and capacity agreements;

19 (III) exclude areas served by water and sewer to address an
20 identified community-scale public health hazard or environmental hazard;

1 (IV) exclude areas serving a mobile home park that is not
2 within an area planned for year-round residential growth;

3 (V) exclude areas serving an industrial site or park;

4 (VI) exclude areas where service lines are located to serve the
5 areas described in subdivisions (III)–(V) of this subdivision (ii), but no
6 connections or expansions are permitted; or

7 (VII) modify the zoning provisions allowed under this chapter
8 in areas served by indirect discharge designed for less than 100,000 gallons per
9 day.

10 (B) Municipally adopted areas served by municipal water and sewer
11 infrastructure that limit water and sewer connections and expansions shall not
12 result in the unequal treatment of housing by discriminating against a year-
13 round residential use or housing type otherwise allowed in this chapter.

14 Sec. 3. 24 V.S.A. § 4413 is amended to read:

15 § 4413. LIMITATIONS ON MUNICIPAL BYLAWS

16 (a)(1) The following uses may be regulated only with respect to location,
17 size, height, building bulk, yards, courts, setbacks, density of buildings, off-
18 street parking, loading facilities, traffic, noise, lighting, landscaping, and
19 screening requirements, and only to the extent that regulations do not have the
20 effect of interfering with the intended functional use:

1 (A) State- or community-owned and ~~operated~~ operated institutions
2 and facilities;

3 (B) public and private schools and other educational institutions
4 certified by the Agency of Education;

5 (C) churches and other places of worship, convents, and parish
6 houses;

7 (D) public and private hospitals;

8 (E) regional solid waste management facilities certified under 10
9 V.S.A. chapter 159;

10 (F) hazardous waste management facilities for which a notice of
11 intent to construct has been received under 10 V.S.A. § 6606a; and

12 (G) emergency shelters.

13 (2) Except for State-owned and -operated institutions and facilities, a
14 municipality may regulate each of the land uses listed in subdivision (1) of this
15 subsection for compliance with the National Flood Insurance Program and for
16 compliance with a municipal ordinance or bylaw regulating development in a
17 flood hazard area or river corridor, consistent with the requirements of
18 subdivision 2291(25) and section 4424 of this title. These regulations shall not
19 have the effect of interfering with the intended functional use.

1 Sec. 5. 24 V.S.A. § 4441 is amended to read:

2 § 4441. PREPARATION OF BYLAWS AND REGULATORY TOOLS;

3 AMENDMENT OR REPEAL

4 * * *

5 (c) When considering an amendment to a bylaw, the planning commission
6 shall prepare and approve a written report on the proposal. A single report
7 may be prepared so as to satisfy the requirements of this subsection concerning
8 bylaw amendments and subsection 4384(c) of this title concerning plan
9 amendments. ~~The Department of Housing and Community Development shall~~
10 ~~provide all municipalities with a form for this report.~~ The report shall provide
11 a brief explanation of the proposed bylaw, amendment, or repeal and shall
12 include a statement of purpose as required for notice under section 4444 of this
13 title; and shall include findings regarding how the proposal:

14 (1) ~~Conforms~~ conforms with or furthers the goals and policies contained
15 in the municipal plan, including the effect of the proposal on the availability of
16 safe and affordable housing; and sections 4412, 4413, and 4414 of this title;

17 (2) ~~Is~~ is compatible with the proposed future land uses and densities of
18 the municipal plan; and

19 (3) ~~Carries~~ carries out, as applicable, any specific proposals for any
20 planned community facilities.

21 * * *

1 (h) Upon adoption or amendment of a bylaw, the planning commission
2 shall prepare an adoption report in form and content provided by the
3 Department of Housing and Community Development that:

4 (1) confirms that zoning districts GIS data has been submitted to the
5 Department of Housing and Community Development and that the data
6 complies with the VT Zoning GIS Data Standard adopted pursuant to 10 VSA
7 § 123.

8 (2) confirms that the complete bylaw has been uploaded to the
9 Municipal Plan and Bylaw Database;

10 (3) demonstrates conformity with sections 4412, 4413, and 4414 of this
11 title; and

12 (4) provides information on the municipal application of subchapters 7
13 (bylaws), 9 (administration), and 10 (panels) of this chapter for the Municipal
14 Planning Data Center and the prospective development of a statewide zoning
15 atlas.

16 Sec. 6. 24 V.S.A. § 4465 is amended to read:

17 § 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

18 (a) An interested person may appeal any decision or act taken by the
19 administrative officer in any municipality by filing a notice of appeal with the
20 secretary of the board of adjustment or development review board of that
21 municipality or with the clerk of that municipality if no such secretary has been

1 elected. This notice of appeal must be filed within 15 days of following the
2 date of that decision or act, and a copy of the notice of appeal shall be filed
3 with the administrative officer.

4 (b) ~~For the purposes of~~ As used in this chapter, an “interested person”
5 means any one of the following:

6 (1) A person owning title to property, or a municipality or solid waste
7 management district empowered to condemn it or an interest in it, affected by a
8 bylaw, who alleges that the bylaw imposes on the property unreasonable or
9 inappropriate restrictions of present or potential use under the particular
10 circumstances of the case.

11 (2) The municipality that has a plan or a bylaw at issue in an appeal
12 brought under this chapter or any municipality that adjoins that municipality.

13 (3) A person owning or occupying property in the immediate
14 neighborhood of a property that is the subject of any decision or act taken
15 under this chapter, who can demonstrate a physical or environmental impact on
16 the person’s interest under the criteria reviewed, and who alleges that the
17 decision or act, if confirmed, will not be in accord with the policies, purposes,
18 or terms of the plan or bylaw of that municipality.

19 (4) Any ~~ten persons~~ person aggrieved as defined in 10 VSA 8502 (7).
20 ~~who may be any combination of voters or real property owners within a~~
21 ~~municipality listed in subdivision (2) of this subsection who, by signed petition~~

1 ~~to the appropriate municipal panel of a municipality, the plan or a bylaw of~~
2 ~~which is at issue in any appeal brought under this title, allege that any relief~~
3 ~~requested by a person under this title, if granted, will not be in accord with the~~
4 ~~policies, purposes, or terms of the plan or bylaw of that municipality. For~~
5 purposes of this subdivision, a particularized interest shall not include the
6 character of the area affected. This petition to the appropriate municipal panel
7 ~~must designate one person to serve as the representative of the petitioners~~
8 ~~regarding all matters related to the appeal.~~

9 (5) Any department and administrative subdivision of this State owning
10 property or any interest in property within a municipality listed in subdivision
11 (2) of this subsection, and the Agency of Commerce and Community
12 Development of this State.

13 * * *

14 Sec. 6a. 10 V.S.A. § 8502(7) is amended to read:

15 (7) “Person aggrieved” means a person who alleges an injury to a
16 particularized interest protected by the provisions of law listed in section 8503
17 of this title, or Title 24, Chapter 117, attributable to an act or decision by a
18 district coordinator, District Commission, the Secretary, an appropriate
19 municipal panel, or the Environmental Division that can be redressed by the
20 Environmental Division or the Supreme Court.

21 * * * Subdivisions * * *

1 Sec. 7. 24 V.S.A. § 4463 is amended to read:

2 § 4463. SUBDIVISION REVIEW

3 (a) Approval of plats. Before ~~any~~ a plat for a subdivision is approved, a
4 public hearing on the plat ~~shall~~ may be held by the appropriate municipal panel
5 after public notice. A bylaw may provide for when a public hearing is
6 required. A copy of the notice shall be sent to the clerk of an adjacent
7 municipality, in the case of a plat located within 500 feet of a municipal
8 boundary, at least 15 days prior to the public hearing.

9 (b) Plat; record. The approval of the appropriate municipal panel or
10 administrative officer, if the bylaws provide for their approval of subdivisions,
11 shall expire 180 days from that approval or certification unless, within that
12 180-day period, that plat shall have been duly filed or recorded in the office of
13 the clerk of the municipality. After an approved plat or certification by the
14 clerk is filed, no expiration of that approval or certification shall be applicable.

15 (1) The bylaw may allow the administrative officer to extend the date
16 for filing the plat by an additional 90 days, if final local or State permits or
17 approvals are still pending.

18 (2) No plat showing a new street or highway may be filed or recorded in
19 the office of the clerk of the municipality until it has been approved by the
20 appropriate municipal panel, or administrative officer if allowed under the
21 bylaws, pursuant to subsection (a) of this section, and that approval is endorsed

1 in writing on the plat, or the certificate of the clerk of the municipality showing
2 the failure of the appropriate municipal panel to take action within the 45-day
3 period is attached to the plat and filed or recorded with the plat. After that
4 filing or recording, the plat shall be a part of the official map of the
5 municipality.

6 * * *

7 Sec. 8. 24 V.S.A. § 4418 is amended to read:

8 § 4418. SUBDIVISION BYLAWS

9 * * *

10 (2) Subdivision bylaws may include:

11 (A) ~~Provisions~~ provisions allowing the appropriate municipal panel
12 to waive or modify, subject to appropriate conditions, the provision of any or
13 all improvements and requirements as in its judgment of the special
14 circumstances of a particular plat or plats are not requisite in the interest of the
15 public health, safety, and general welfare, or are inappropriate because of
16 inadequacy or lack of connecting facilities adjacent or in proximity to the
17 subdivision;

18 (B) ~~Procedures~~ procedures for conceptual, preliminary, partial, and
19 other reviews preceding submission of a subdivision plat, including any
20 administrative reviews;

1 (C) ~~Specific~~ specific development standards to promote the
2 conservation of energy or to permit the utilization of renewable energy
3 resources, or both;

4 (D) State standards and criteria under 10 V.S.A. § 6086(a); and

5 (E) provisions to allow the administrative officer to approve
6 subdivisions.

7 * * * Appeals * * *

8 Sec. 9. 24 V.S.A. § 4471 is amended to read:

9 § 4471. APPEAL TO ENVIRONMENTAL DIVISION

10 * * *

11 (e) ~~Neighborhood development area~~ Designated areas. Notwithstanding
12 subsection (a) of this section, a determination by an appropriate municipal
13 panel that a residential development will not result in an undue adverse effect
14 on the character of the area affected shall not be subject to appeal if the
15 ~~determination is that a proposed residential development~~ seeking conditional
16 use approval under subdivision 4414(3) of this title is within a designated
17 downtown development district, designated growth center, ~~designated Vermont~~
18 neighborhood, or designated neighborhood development area seeking
19 ~~conditional use approval will not result in an undue adverse effect on the~~
20 ~~character of the area affected under subdivision 4414(3) of this title.~~ Other

1 elements of the determination made by the appropriate municipal panel may be
2 appealed.

3 * * * By Right * * *

4 Sec. 10. 24 V.S.A. § 4464(b) is amended to read:

5 (b) Decisions.

6 * * *

7 (7)(A) A decision rendered by the appropriate municipal panel for a
8 housing development or the housing portion of a mixed-use development shall
9 not:

10 (i) require a larger lot size than the minimum as determined in the
11 municipal bylaws;

12 (ii) require more parking spaces than the minimum as determined
13 in the municipal bylaws and in section 4414 of this title;

14 (iii) limit the building size to less than that allowed in the
15 municipal bylaws, including reducing the building footprint or height;

16 (iv) limit the density of dwelling units to below that allowed in the
17 municipal bylaws; and

18 (v) otherwise disallow a development to abide by the minimum or
19 maximum applicable municipal standards;

1 (B) However, a decision may require adjustments to the applicable
2 municipal standards listed in subdivision (A) of this subdivision (7) if the panel
3 or officer issues a written finding stating:

4 (i) why the modification is necessary to comply with a
5 prerequisite State or federal permit, municipal permit, or a nondiscretionary
6 standard in a bylaw or ordinance, including requirements related to wetlands,
7 setbacks, and flood hazard areas and river corridors; and

8 (ii) how the identified restrictions do not result in an unequal
9 treatment of housing or an unreasonable exclusion of housing development
10 otherwise allowed by the bylaws.

11 Sec. 11. 24 V.S.A. § 4348a is amended to read:

12 § 4348a. ELEMENTS OF A REGIONAL PLAN

13 (a) A regional plan shall be consistent with the goals established in section
14 4302 of this title and shall include the following:

15 * * *

16 (9) A housing element that identifies the regional and community-level
17 need for housing for all economic groups in the region and communities. In
18 establishing the identified need, due consideration shall be given to that will
19 result in an adequate supply of building code and energy code compliant
20 homes where most households spend not more than 30 percent of their income
21 on housing and no more than 15 percent on transportation. To establish

1 housing needs, the Department of Housing and Community Development shall
2 publish statewide and regional housing targets or ranges as part of the
3 Statewide Housing Needs Assessment. The regional planning commission
4 shall consult the Statewide Housing Needs Assessment; current and expected
5 demographic data; the current location, quality, types and cost of housing;
6 other local studies related to housing needs; and data gathered pursuant to
7 subsection 4382(c) of this title. If no such data has been gathered, the regional
8 planning commission shall gather it. The regional planning commission’s
9 assessment shall estimate the total needed housing investments in terms of
10 price, quality, unit size or type, and zoning district as applicable and shall
11 disaggregate regional housing targets or ranges by municipality. The housing
12 element shall include a set of recommended actions to satisfy the established
13 needs.

14 * * *

15 Sec. 12. 24 V.S.A. § 4382 is amended to read:

16 § 4382. THE PLAN FOR A MUNICIPALITY

17 (a) A plan for a municipality ~~may~~ shall be consistent with the goals
18 established in section 4302 of this title and compatible with approved plans of
19 other municipalities in the region and with the regional plan and shall include
20 the following:

21 * * *

1 codes and regulations adopted after July 1, 2023 shall not be more restrictive
2 than the Residential Building Energy Standards or the stretch code adopted
3 under 30 V.S.A. § 51 or the Commercial Building Energy Standards adopted
4 under 30 V.S.A. § 53, except where enabled by a municipal charter.

5 **Sec. 14. APPROPRIATION**

6 The sum of \$750,000.00 is appropriated in fiscal year 2024 from the
7 General Fund to the Municipal and Regional Planning Fund.

8 Sec. 15. [Deleted.]

9 Sec. 16. 10 V.S.A. § 6001 is amended to read:

10 § 6001. DEFINITIONS

11 * * *

12 (3)(A) “Development” means each of the following:

13 * * *

14 (iv) The construction of housing projects such as cooperatives,
15 condominiums, or dwellings, or construction ~~or maintenance~~ of mobile homes
16 or mobile home parks, with 10 or more units, or 25 or more units, located
17 entirely within a designated downtown development district, a designated new
18 town center, a designated neighborhood development area, a designated village
19 center in a municipality with permanent zoning and subdivision bylaws, or a
20 designated growth center constructed or maintained on a tract or tracts of land,

1 owned or controlled by a person, within a radius of five miles of any point on
2 any involved land and within any continuous period of five years. However:

3 * * *

4 (xi) Until July 1, 2026, the construction of housing projects such
5 as cooperatives, condominiums, dwellings, or mobile homes, with 25 or more
6 units, constructed or maintained on a tract or tracts of land, located entirely
7 within a designated downtown development district, a designated new town
8 center, a designated neighborhood development area, or a designated growth
9 center, owned or controlled by a person, within a radius of five miles of any
10 point on any involved land and within any continuous period of five years.

11 * * *

12 (D) The word “development” does not include:

13 * * *

14 (viii)(I) The construction of a priority housing project in a
15 municipality with a population of 10,000 or more.

16 (II) If the construction of a priority housing project in this
17 subdivision (3)(D)(viii) involves demolition of one or more buildings that are
18 listed or eligible to be listed on the State or National Register of Historic
19 Places, this exemption shall not apply unless the Division for Historic
20 Preservation has made the determination described in subdivision (A)(iv)(I)(ff)

1 of this subdivision (3) and any imposed conditions are enforceable in the
2 manner set forth in that subdivision.

3 (III) Notwithstanding any other provision of law to the
4 contrary, until July 1, 2026, the construction of a priority housing project
5 located entirely within a designated downtown development district,
6 designated neighborhood development area, or a designated growth center.

7 * * *

8 Sec. 16a. 10 V.S.A. § 6086b is amended to read:

9 § 6086b. DOWNTOWN DEVELOPMENT; FINDINGS; MASTER PLAN

10 PERMITS

11 (a) Findings and conclusions. Notwithstanding any provision of this
12 chapter to the contrary, each of the following shall apply to a development or
13 subdivision that is completely within a downtown development district
14 designated under 24 V.S.A. chapter 76A and for which a permit or permit
15 amendment would otherwise be required under this chapter:

16 (1) In lieu of obtaining a permit or permit amendment, a person may
17 request findings and conclusions from the District Commission, which shall
18 approve the request if it finds that the development or subdivision will meet
19 subdivisions 6086(a)(1) (air and water pollution), (2) (sufficient water
20 available), (3) (burden on existing water supply), (4) (soil erosion), (5)
21 (traffic), (8) (aesthetics, historic sites, rare and irreplaceable natural areas),

1 (8)(A) (endangered species; necessary wildlife habitat), (9)(B) (primary
2 agricultural soils), (9)(C) (productive forest soils), (9)(F) (energy
3 conservation), and (9)(K) (public facilities, services, and lands) of this title.

4 * * *

5 (b) Master plan permits.

6 (1) Any municipality within which a downtown development district or
7 neighborhood development area has been formally designated pursuant to
8 24 V.S.A. chapter 76A may apply to the District Commission for a master plan
9 permit for that area or any portion of that area pursuant to the rules of the
10 Board. Municipalities making an application under this subdivision are not
11 required to exercise ownership of or control over the affected property.

12 (2) Subsequent development of an individual lot within the area of the
13 master plan permit that requires a permit under this chapter shall take the form
14 of a permit amendment.

15 (3) In neighborhood development areas, subsequent master plan permit
16 amendments may only be issued for development that is housing.

17 (4) In approving a master plan permit and amendments, the District
18 Commission may include specific conditions that an applicant for an individual
19 project permit will be required to meet.

20 (5) For a master plan permit issued pursuant to this section, an
21 application for an amendment may use the findings issued in the master plan

1 permit as a rebuttable presumption to comply within any applicable criteria
2 under subsection 6086(a) of this title.

3 Sec. 16b. ACT 250 EXEMPTION REQUIREMENTS

4 In order to qualify for the exemptions established in 10 V.S.A. § 6001
5 (3)(A)(xi) and (3)(D)(viii)(III) and 10 V.S.A. § 6081(y), a person shall apply
6 for a jurisdictional opinion under 10 V.S.A. § 6007 by July 1, 2026. The
7 jurisdictional opinion shall require the project to substantially complete
8 construction by June 30, 2029 in order to remain exempt.

9 * * * Enhanced Village Centers * * *

10 Sec. 17. ~~24 V.S.A. § 2793a is amended to read:~~

11 Sec. 17a. ~~10 V.S.A. § 6081 is amended to read:~~

12 Sec. 17b. ~~24 V.S.A. § 2793e is amended to read:~~

13 Sec. 17c. 2022 Acts and Resolves No. 182, Sec. 41 is amended to read:

14 Sec. 41. REPORT; NATURAL RESOURCES BOARD

15 (a) On or before December 31, 2023, the Chair of the Natural Resources
16 Board shall report to the House Committees on Natural Resources, Fish, and
17 Wildlife and on Ways and Means and the Senate Committees on Finance and
18 on Natural Resources and Energy on necessary updates to the Act 250
19 program.

20 (b) The report shall include:

1 (1) How to transition to a system in which Act 250 jurisdiction is based
2 on location, which shall encourage development in designated areas, the
3 maintenance of intact rural working lands, and the protection of natural
4 resources of statewide significance, including biodiversity. Location-based
5 jurisdiction would adjust the threshold for Act 250 jurisdiction based on the
6 characteristics of the location. This section of the report shall consider whether
7 to develop thresholds and tiers of jurisdiction as recommended in the
8 Commission on Act 250: the Next 50 Years Report.

9 (2) How to use the Capability and Development Plan to meet the
10 statewide planning goals.

11 (3) An assessment of the current level of staffing of the Board and
12 District Commissions, including whether there should be a district coordinator
13 located in every district.

14 (4) Whether the permit fees are sufficient to cover the costs of the
15 program and, if not, a recommendation for a source of revenue to supplement
16 the fees.

17 (5) Whether the permit fees are effective in providing appropriate
18 incentives.

19 (6) Whether the Board should be able to assess its costs on applicants.

20 (7) Whether increasing jurisdictional thresholds for housing
21 development to 25 units under 10 V.S.A. § 6001(3)(A)(iv) would affect

1 housing affordability, especially for primary homeownership, and what the
2 potential impact **these changes** would have on natural and community
3 resources addressed under existing Act 250 criteria.

4 * * * Enhanced Designation * * *

5 **Sec. 18-21- Deleted**

6 * * * Covenants * * *

7 Sec. 22. 27 V.S.A. § 545 is amended to read:

8 § 545. COVENANTS, CONDITIONS, AND RESTRICTIONS OF
9 SUBSTANTIAL PUBLIC INTEREST

10 (a) Deed restrictions, covenants, or similar binding agreements added after
11 March 1, 2021 that prohibit or have the effect of prohibiting land development
12 allowed under 24 V.S.A. § 4412(1)(E) and (2)(A) shall not be valid.

13 (b) Deed restrictions or covenants added after July 1, 2023 shall not be
14 valid if they require a minimum dwelling unit size on the property or more
15 than one parking space per dwelling unit.

16 (c) This section shall not affect the enforceability of any property interest
17 held in whole or in part by a qualified organization or State agency as defined
18 in 10 V.S.A. § 6301a, including any restrictive easements, such as
19 conservation easements and historic preservation rights and interests defined in
20 10 V.S.A. § 822. This section shall not affect the enforceability of any
21 property interest that is restricted by a housing subsidy covenant as defined by

1 section 610 of this title and held in whole or in part by an eligible applicant as
2 defined in 10 V.S.A. § 303(4) or the Vermont Housing Finance Agency.

3 * * * Road Disclosure * * *

4 Sec. 23. 27 V.S.A. § 617 is added to read:

5 § 617. DISCLOSURE OF CLASS 4 ROAD

6 (a) Disclosure of maintenance on class 4 highway. Any property owner
7 who sells property located on a class 4 highway or legal trail shall disclose to
8 the buyer that the municipality is not required to maintain the highway or trail
9 as described in 19 V.S.A. § 310.

10 (b) Marketability of title. Noncompliance with the requirements of this
11 section shall not affect the marketability of title of a property.

12 * * * Building Energy Code Study Committee * * *

13 Sec. 24. FINDINGS

14 The General Assembly finds that:

15 (1) Vermont established the Residential Building Energy Standards
16 (RBES) in 1997 and the Commercial Building Energy Standards (CBES) in
17 2007. The Public Service Department is responsible for adopting and updating
18 these codes regularly but does not have the capacity to administer or enforce
19 them.

1 (2) The RBES and CBES are mandatory, but while municipalities with
2 building departments handle some aspects of review and inspection, there is no
3 State agency or office designated to interpret, administer, and enforce them.

4 (3) The Division of Fire Safety in the Department of Public Safety is
5 responsible for development, administration, and enforcement of building
6 codes but does not currently have expertise or capacity to add administration or
7 enforcement of energy codes in buildings.

8 (4) Studies in recent years show compliance with the RBES at about 54
9 percent and CBES at about 87 percent, with both rates declining. Both codes
10 are scheduled to become more stringent with the goal of “net-zero ready” by
11 2030.

12 (5) In December 2022, the U.S. Department of Energy issued the
13 Bipartisan Infrastructure Law: Resilient and Efficient Codes Implementation
14 Funding Opportunity Announcement. The first \$45 million of a five-year \$225
15 million program is available in 2023. Vermont’s increased code compliance
16 plans should include contingencies for this potential funding.

17 Sec. 25. ENERGY CODE COMPLIANCE; STUDY COMMITTEE

18 (a) Creation. There is created the Building Energy Code Study Committee
19 to recommend strategies for increasing compliance with the Residential
20 Building Energy Standards (RBES) and Commercial Building Energy
21 Standards (CBES).

1 (b) Membership. The Committee shall have 15 members with applicable
2 expertise, to include program design and implementation, building code
3 administration and enforcement, and Vermont’s construction industry. The
4 Speaker of the House shall appoint three members, including up to one
5 legislator. The Committee on Committees shall appoint two members,
6 including up to one legislator. The remaining members shall be the following:

7 (1) the Commissioner of Public Service, or designee;

8 (2) the Director of Fire Safety, or designee;

9 (3) a representative of Efficiency Vermont;

10 (4) a representative of American Institute of Architects–Vermont;

11 (5) a representative of the Vermont Builders and Remodelers

12 Association;

13 (6) a representative the Burlington Electric Department;

14 (7) a representative of Vermont Gas Systems;

15 (8) a representative of the Association of General Contractors of

16 Vermont;

17 (9) a representative of the Vermont League of Cities and Towns;

18 (10) a representative from a regional planning commission;

19 (11) the Commissioner of Housing and Community Development or
20 designee; and

21 (12) a representative from an affordable housing organization.

1 (c) Powers and duties. The Committee shall consider and recommend
2 strategies to increase awareness of and compliance with the RBES and CBES,
3 including designation of the Division of Fire Safety (DFS) in the Department
4 of Public Safety as the statewide authority having jurisdiction for
5 administration, interpretation, and enforcement, in conjunction with DFS'
6 existing jurisdiction, over building codes. The Division of Fire Safety shall
7 identify and examine provisions from other jurisdiction' fire and life safety
8 codes for residential buildings that would facilitate in Vermont: the increased
9 construction of new residential units; the conversion of existing space into new
10 residential units, or both; and could be incorporated into the Vermont Fire &
11 Building Safety Code, including recommendations for any legislative action
12 necessary to enable the identified provisions into Vermont's Fire and Building
13 Safety Code.

14 (d) Assistance. The Committee shall have the administrative, technical,
15 and legal assistance of the Department of Public Service. The Department
16 shall hire a third-party consultant to assist and staff the Committee which may
17 be funded by monies appropriated by the General Assembly or any grant
18 funding received.

19 (e) Report. On or before December 1, 2023, the Committee shall submit a
20 written report to the General Assembly with its findings and recommendations
21 for legislative action.

1 (f) Meetings.

2 (1) The Department of Public Service shall call the first meeting of the
3 Committee to occur on or before July 15, 2023.

4 (2) The Committee shall elect a chair from among its members at the
5 first meeting.

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

7 (4) The final meeting shall be held on or before October 31, 2023. The
8 Committee shall cease to exist on December 1, 2023.

9 (g) Compensation and reimbursement.

10 (1) For attendance at meetings during adjournment of the General
11 Assembly, a legislative member of the Committee serving in the legislator's
12 capacity as a legislator shall be entitled to per diem compensation and
13 reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six
14 meetings.

15 (2) Other members of the Committee who are not otherwise
16 compensated by their employer shall be entitled to per diem compensation and
17 reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more
18 than six meetings.

19 (3) The payments under this subsection (g) shall be made from monies
20 appropriated by the General Assembly or any grant funding received.

* * * H.5 * * *

2 **Sec. X. REGIONAL PLANNING REPORT**

3 (a) On or before December 15, 2023, the Vermont Association of Planning
4 and Development Agencies shall report on statutory recommendations to better
5 integrate and implement municipal, regional, and State plans, policies, and
6 investments by focusing on regional future land use maps and policies.

7 (b) The recommendations shall address how to accomplish the following:

8 (1) Aligning policies and implementation between municipalities,
9 regional planning commissions, and State entities to better address climate
10 change, climate resiliency, natural resources, housing, transportation,
11 economic development, and other place-based issues.

12 (2) Building upon municipal and regional enhanced energy plans and
13 their implementation.

14 (3) Evaluating place-based policy and project decisions by the State,
15 regional planning commissions, and municipalities related to implementing
16 regional future land use maps and policies and recommending changes to
17 which of those governmental levels those decisions should occur, if necessary.

18 (4) Ensuring that State agency investment and policy decisions that
19 relate to land development are consistent with regional and local plans. The
20 investments assessed should include, at a minimum:

21 (A) drinking water;

1 (B) wastewater;

2 (C) stormwater;

3 (D) transportation;

4 (E) community and economic development;

5 (F) housing;

6 (G) energy; and

7 (H) telecommunications.

8 (5) Achieving statewide consistency of future land use maps and
9 policies to better support Act 250 and 30 V.S.A. § 248.

10 (6) How Act 250 and 30 V.S.A. § 248 could better support
11 implementation of regional future land use maps and policies.

12 (7) Better support implementation of regional future land use maps and
13 policies in the State designation program under 24 V.S.A. chapter 76A.

14 (8) Improving the quality and effectiveness of future land use maps in
15 regional and municipal plans through changes to 24 V.S.A. chapter 117

16 including:

17 (A) future land use map area delineations, definitions, statements,
18 and policies;

19 (B) existing settlement definitions and their relationship to future
20 land use maps;

1 (C) the role of regional plans in the review and approval of municipal
2 plans and planning processes; and

3 (D) a review mechanism to ensure bylaws are consistent with
4 municipal plans.

5 (c) The report should also discuss how best to implement the
6 recommendations including the following:

7 (1) how best to phase in the recommendations;

8 (2) how to establish a mechanism for the independent review of regional
9 plans to ensure consistency with statutory requirements;

10 (3) what guidance and training will be needed to implement the
11 recommendations; and

12 (4) what incentives and accountability mechanisms are necessary to
13 accomplish these changes at all levels of government.

14 (d) The Vermont Association of Planning and Development Agencies shall
15 consult with the Agency of Transportation, the Agency of Natural Resources,
16 the Agency of Commerce and Community Development, the Department of
17 Public Service, Vermont Emergency Management, the Natural Resources
18 Board, the regional development corporations, the Vermont League of Cities
19 and Towns, statewide environmental organizations, and other interested parties
20 in developing the report and shall summarize comments.

1 (e) The Vermont Association of Planning and Development Agencies shall
2 submit the report to the following committees: the Senate Committees on
3 Economic Development, Housing and General Affairs, on Government
4 Operations, on Natural Resources and Energy, and on Transportation and the
5 House Committees on Commerce and Economic Development, on Energy and
6 Technology, on General, Housing, and Military Affairs, on Government
7 Operations, on Natural Resources, Fish, and Wildlife, and on Transportation
8 on or before December 15, 2023.

9 (f) The Vermont Association of Planning and Development Agencies shall
10 be funded in FY 2023 and FY 2024 for this study through the regional
11 planning grant established in 24 V.S.A. § 4306.

12 **Sec. X. RURAL RECOVERY COORDINATION COUNCIL**

13 (a) Goals. The Rural Recovery Coordination Council is created to study
14 and make recommendations on how to strengthen coordination between
15 agencies and stakeholders involved in rural community development.

16 (b) Purposes. The Council shall consider and identify strategies to:

17 (1) prioritize areas of investment into Vermont’s rural communities in
18 order to ensure necessary resources to meet Vermont’s climate goals, rural
19 community development objectives, and environmental sustainability
20 requirements;

21 (2) build long-term emergency and disaster preparedness and recovery;

1 (3) ensure intergovernmental and regional communications and
2 coordination; and

3 (4) improve access to technical assistance and support from regional and
4 statewide agencies and programs.

5 (c) Powers and duties. The Council shall identify structural changes and
6 improve coordination across all levels of government to support rural
7 community development, including addressing the following issues:

8 (1) a permanent structure for ensuring rural community development
9 programming within State government;

10 (2) how to better include rural voices in regional collaboration and
11 prioritization projects;

12 (3) how municipal, regional, and State plans, policies, and investments
13 can be integrated and mutually supportive;

14 (4) where to establish an office of Rural Community Development and
15 how long the office should be authorized for; and

16 (5) how to support capacity at the municipal level and how to support
17 multitown coordination and collaboration.

18 (d) Report. On or before December 15, 2023, the Council shall report to
19 the General Assembly and to the Agency of Administration with its findings,
20 recommendations, and draft legislation.

21 (e) Members. The Council shall comprise the following members:

- 1 (1) the Vermont Chief Performance Officer;
- 2 (2) the Secretary of Commerce and Community Development;
- 3 (3) the Commissioner of Public Service;
- 4 (4) the Secretary of Transportation;
- 5 (5) the Director of Racial Equity or designee;
- 6 (6) one or more representatives from the regional planning commissions
7 appointed by the Vermont Association of Planning and Development
8 Agencies;
- 9 (7) one or more representatives from the regional development
10 corporations appointed by the Regional Development Corporations of
11 Vermont;
- 12 (8) the Executive Director of the Vermont League of Cities and Towns
13 or designee;
- 14 (9) a member, appointed by the Vermont Communications Union
15 Districts Association;
- 16 (10) the Secretary of Natural Resources;
- 17 (11) a member, appointed by the University of Vermont Office of
18 Engagement;
- 19 (12) a member, appointed by the Vermont Housing and Conservation
20 Board;

1 (13) a member of the House of Representatives, appointed by the
2 Speaker of the House; and

3 (14) a member of the Senate, appointed by the Committee on
4 Committees.

5 (f) Compensation and reimbursement.

6 (1) For attendance at meetings during adjournment of the General
7 Assembly, a legislative member of the Council shall be entitled to per diem
8 compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23.

9 (2) Other members of the Council shall be entitled to per diem
10 compensation and reimbursement of expenses as permitted under 32 V.S.A.
11 § 1010.

12 (g) Meetings; administration.

13 (1) The Council shall meet at least five times and take testimony from a
14 variety of stakeholders, including from representatives from municipalities of
15 variety of sizes and from those with experience in state land use planning,
16 regional planning, municipal planning, economic planning, or strategic
17 planning.

18 (2) The Council shall receive administrative support from the Vermont
19 Council on Rural Development, which shall convene the first meeting.

20 (3) The Committee shall cease to exist on March 31, 2024.

1 commissions shall be predicated upon meeting performance goals and targets
2 pursuant to the terms of the performance contract.

3 (2) Disbursement to municipalities shall be awarded annually on or
4 before December 31 through a competitive program administered by the
5 Department providing the opportunity for any eligible municipality or
6 municipalities to compete regardless of size, provided that to receive funds, a
7 municipality:

8 (A) shall be confirmed under section 4350 of this title; or

9 (B)(i) shall use the funds for the purpose of developing a municipal
10 plan to be submitted for approval by the regional planning commission, as
11 required for municipal confirmation under section 4350 of this title; and

12 (ii) shall have voted at an annual or special meeting to provide
13 local funds for municipal and regional planning purposes.

14 (3) Of the annual disbursement to municipalities, an amount not to
15 exceed 20 percent of the total may disbursed to the Department to administer a
16 program providing direct technical consulting assistance under retainer on a
17 rolling basis to any eligible municipality to meet the requirements for
18 neighborhood designation under chapter 76A of this title, provided that the
19 municipality is eligible for funding under subsection 2 and meets funding
20 guidelines established by the Department to ensure accessibility for lower
21 capacity communities, municipal readiness, and statewide coverage.

1 Development within 30 days after adoption, which may be done electronically,
2 provided the sender has proof of receipt. If a municipality wishes its plan or
3 plan amendment to be eligible for approval under the provisions of section
4 4350 of this title, it shall request approval. The request for approval may be
5 before or after adoption of the plan by the municipality, at the option of the
6 municipality.

7 * * *

8 **Sec. X. 24 V.S.A. § 4442 is amended to read:**

9 § 4442. Adoption of bylaws and related regulatory tools; amendment or repeal

10 * * *

11 (c) Routine adoption.

12 (1) A bylaw, bylaw amendment, or bylaw repeal shall be adopted by a
13 majority of the members of the legislative body at a meeting that is held after
14 the final public hearing, and shall be effective 21 days after adoption unless, by
15 action of the legislative body, the bylaw, bylaw amendment, or bylaw repeal is
16 warned for adoption by the municipality by Australian ballot at a special or
17 regular meeting of the municipality.

18 ~~(2) However, a rural town as defined in section 4303 of this chapter, by~~
19 ~~vote of that town at a special or regular meeting duly warned on the issue, may~~
20 ~~elect to require that bylaws, bylaw amendments, or bylaw repeals shall be~~
21 ~~adopted by vote of the town by Australian ballot at a special or regular meeting~~

1 ~~duly warned on the issue. That procedure shall then apply until rescinded by~~
2 ~~the voters at a regular or special meeting of the town.~~

3 (d) ~~Petition for popular vote. Notwithstanding subdivision (c)(1) of this~~
4 ~~section, a vote by the legislative body on a bylaw, amendment, or repeal shall~~
5 ~~not take effect if five percent of the voters of the municipality petition for a~~
6 ~~meeting of the municipality to consider the bylaw, amendment, or repeal, and~~
7 ~~the petition is filed within 20 days of the vote. In that case, a meeting of the~~
8 ~~municipality shall be duly warned for the purpose of acting by Australian~~
9 ~~ballot upon the bylaw, amendment, or repeal. [Repealed.]~~

10 **Sec. X. DEPARTMENT OF TAXES REPORT**

11 On or before December 15, 2023, the Department of Taxes shall submit in
12 writing to the House Committees on Government Operations and Military
13 Affairs and on Ways and Means and the Senate Committees on Finance and on
14 Government Operations a report on existing definitions and data metrics
15 currently gathered by municipal Computer Assisted Mass Appraisal (CAMA)
16 systems and the potential for using those definitions and data to collect
17 information on the number of residential units, land value distinct from the
18 value of buildings or other improvements on the land, the year of construction
19 for buildings or other improvements, and any other pertinent data relating to
20 properties in this State.