

1 TO THE HONORABLE SENATE:

2 The Committee on Finance to which was referred House Bill No. 687
3 entitled “An act relating to community resilience and biodiversity protection
4 through land use” respectfully reports that it has considered the same and
5 recommends that the report of the Committee on Natural Resources and
6 Energy be amended as follows:

7 First: By striking out Sec. 63, municipal and regional planning and
8 resilience grant program, in its entirety and inserting in lieu thereof the
9 following:

10 Sec. 63. [Deleted.]

11 Second: By striking out Secs. 72, downtown tax credit cap, and 73,
12 property transfer tax, in their entirety and inserting in lieu thereof the
13 following:

14 Sec. 72. [Deleted.]

15 Sec. 73. 32 V.S.A. § 9602 is amended to read:

16 § 9602. TAX ON TRANSFER OF TITLE TO PROPERTY

17 A tax is hereby imposed upon the transfer by deed of title to property
18 located in this State, or a transfer or acquisition of a controlling interest in any
19 person with title to property in this State. The amount of the tax equals one
20 and one-quarter percent of the value of the property transferred, or \$1.00,
21 whichever is greater, except as follows:

1 (1) With respect to the transfer of property to be used for the principal
2 residence of the transferee, the tax shall be imposed at the rate of five-tenths of
3 one percent of the first \$100,000.00 in value of the property transferred and at
4 the rate of one and one-quarter percent of the value of the property transferred
5 in excess of \$100,000.00; except that no tax shall be imposed on the first
6 ~~\$110,000.00~~ \$150,000.00 in value of the property transferred if the purchaser
7 obtains a purchase money mortgage funded in part with a homeland grant
8 through the Vermont Housing and Conservation Trust Fund or that the
9 Vermont Housing and Finance Agency or U.S. Department of Agriculture and
10 Rural Development has committed to make or purchase; and tax at the rate of
11 one and one-quarter percent shall be imposed on the value of that property in
12 excess of ~~\$110,000.00~~ \$150,000.00.

13 * * *

14 (4) Tax shall be imposed at the rate of two and one-half percent of the
15 value of the property transferred with respect to transfers of:

16 (A) residential property that is fit for habitation on a year-round
17 basis;

18 (B) will not be used as the principal residence of the transferee; and

19 (C) for which the transferee will not be required to provide a
20 landlord certificate pursuant to section 6069 of this title.

1 Third: By striking out Secs. 74–85 in their entirety and inserting in lieu
2 thereof the following:

3 Sec. 74. ALLOCATIONS; PROPERTY TRANSFER TAX

4 Notwithstanding 10 V.S.A. § 312, 24 V.S.A. § 4306(a), 32 V.S.A.
5 § 9610(c), or any other provision of law to the contrary, amounts in excess of
6 \$32,954,775.00 from the property transfer tax shall be transferred into the
7 General Fund. Of this amount:

8 (1) \$5,137,260.00 shall be transferred from the General Fund into the
9 Vermont Housing and Conservation Trust Fund.

10 (2) \$1,279,740.00 shall be transferred from the General Fund into the
11 Municipal and Regional Planning Fund.

12 Sec. 75. [Deleted.]

13 Sec. 76. [Deleted.]

14 Sec. 77. 32 V.S.A. § 9610 is amended to read:

15 § 9610. REMITTANCE OF RETURN AND TAX; INSPECTION OF

16 RETURNS

17 * * *

18 (c) Prior to distributions of property transfer tax revenues under 10 V.S.A.
19 § 312, 24 V.S.A. § 4306(a), and subdivision 435(b)(10) of this title, two
20 percent of the revenues received from the property transfer tax shall be

1 deposited in a special fund in the Department of Taxes for Property Valuation
2 and Review administration costs.

3 (d)(1) Prior to any distribution of property transfer tax revenue under
4 10 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and
5 ~~subsection~~ subsections (c) and (e) of this section, \$2,500,000.00 of the revenue
6 received from the property transfer tax shall be transferred to the Vermont
7 Housing Finance Agency to pay the principal of and interest due on the bonds,
8 notes, and other obligations authorized to be issued by the Agency pursuant to
9 10 V.S.A. § 621(22), the proceeds of which the Vermont Housing and
10 Conservation Board shall use to create affordable housing pursuant to
11 10 V.S.A. § 314.

12 (2) As long as the bonds, notes, and other obligations incurred pursuant
13 to subdivision (1) of this subsection remain outstanding, the rate of tax
14 imposed pursuant to section 9602 of this title shall not be reduced below a rate
15 estimated, at the time of any reduction, to generate annual revenues of at least
16 \$12,000,000.00.

17 (e) Prior to any distribution of property transfer tax revenue under
18 10 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and
19 subsection (c) of this section, \$900,000.00 of the revenue received from the
20 property transfer tax shall be transferred to the Act 250 Permit Fund
21 established under 10 V.S.A. § 6029. Prior to a transfer under this subsection,

1 the Commissioner shall adjust the amount transferred according to the percent
2 change in the Bureau of Labor Statistics Consumer Price Index for All Urban
3 Consumers (CPI-U) by determining the increase or decrease, to the nearest
4 one-tenth of a percent, for the month ending on June 30 in the calendar year
5 one year prior to the first day of the fiscal year for which the transfer will be
6 made compared to the CPI-U for the month ending on June 30 in the calendar
7 year two years prior to the first day of the fiscal year for which the transfer will
8 be made.

9 Sec. 78. 10 V.S.A. § 6029 is amended to read:

10 § 6029. ACT 250 PERMIT FUND

11 There is hereby established a special fund to be known as the Act 250 Permit
12 Fund for the purposes of implementing the provisions of this chapter.

13 ~~Revenues to the fund~~ The Fund shall be composed of the revenue deposited
14 pursuant to 32 V.S.A. § 9610(e), those fees collected in accordance with
15 section 6083a of this title, gifts, appropriations, and copying and distribution
16 fees. The Board shall be responsible for the Fund and shall account for
17 revenues and expenditures of the Board. At the Commissioner’s discretion, the
18 Commissioner of Finance and Management may anticipate amounts to be
19 collected and may issue warrants based thereon for the purposes of this section.
20 Disbursements from the Fund shall be made through the annual appropriations
21 process to the Board and to the Agency of Natural Resources to support those

1 programs within the Agency that directly or indirectly assist in the review of
2 Act 250 applications. This Fund shall be administered as provided in
3 32 V.S.A. chapter 7, subchapter 5.

4 Sec. 79. 32 V.S.A. § 3800(q) is added to read:

5 (q) The statutory purpose of the exemption under 32 V.S.A. chapter 125,
6 subchapter 3 for new construction or rehabilitation is to lower the cost of new
7 construction or rehabilitation of residential properties in flood-impacted
8 communities.

9 Sec. 80. 32 V.S.A. chapter 125, subchapter 3 is added to read:

10 Subchapter 3. New Construction or Rehabilitation in Flood-Impacted
11 Communities

12 § 3870. DEFINITIONS

13 As used in this subchapter:

14 (1) “Agency” means the Agency of Commerce and Community
15 Development as established under 3 V.S.A. § 2402.

16 (2) “Appraisal value” has the same meaning as in subdivision
17 3481(1)(A) of this title.

18 (3) “Exemption period” has the same meaning as in subsection 3871(d)
19 of this subchapter.

20 (4) “New construction” means the building of new dwellings.

1 (5) “Principal residence” means the dwelling occupied by a resident
2 individual as the individual’s domicile during the taxable year and for a
3 property owner, owned, or for a renter, rented under a rental agreement other
4 than a short-term rental as defined under 18 V.S.A. § 4301(a)(14).

5 (6)(A) “Qualifying improvement” means new construction or a physical
6 change to an existing dwelling or other structure beyond normal and ordinary
7 maintenance, painting, repairs, or replacements, provided the change:

8 (i) results in new or rehabilitated dwellings that are designed to be
9 occupied as principal residences and not as short-term rentals as defined under
10 18 V.S.A. § 4301(a)(14); and

11 (ii) occurred through new construction or rehabilitation, or both,
12 during the 12 months immediately preceding or immediately following
13 submission of an exemption application under this subchapter.

14 (B) “Qualifying improvement” does not mean new construction or a
15 physical change to any portion of a mixed-use building as defined under
16 10 V.S.A. § 6001(28) that is not used as a principal residence.

17 (7)(A) “Qualifying property” means a parcel with a structure that is:

18 (i) located within a designated downtown district, village center,
19 or neighborhood development area determined pursuant to 24 V.S.A. chapter
20 76A or a new market tax credit area determined pursuant to 26 U.S.C. § 45D,
21 or both;

1 (ii) composed of one or more dwellings designed to be occupied
2 as principal residences, provided:

3 (I) none of the dwellings shall be occupied as short-term rentals
4 as defined under 18 V.S.A. § 4301(a)(14) before the exemption period ends;
5 and

6 (II) a structure with more than one dwelling shall only qualify
7 if it meets the definition of mixed-income housing under 10 V.S.A.
8 § 6001(27);

9 (iii) undergoing, has undergone, or will undergo qualifying
10 improvements;

11 (iv) in compliance with all relevant permitting requirements; and

12 (v) located in an area that was declared a federal disaster between
13 July 1, 2023 and October 15, 2023 that was eligible for Individual Assistance
14 from the Federal Emergency Management Agency or located in Addison or
15 Franklin county.

16 (B) “Qualifying property” may have a mixed use as defined under
17 10 V.S.A. § 6001(28).

18 (C) “Qualifying property” includes property located within a tax
19 increment financing district established under 24 V.S.A. chapter 53, subchapter
20 5, provided, notwithstanding 24 V.S.A. § 1896, an increase in the appraisal
21 value of a qualifying property due to qualifying improvements shall be

1 excluded from the total assessed valuation used to determine the district’s tax
2 increment under 24 V.S.A. § 1896 during the exemption period.

3 (8) “Rehabilitation” means extensive repair, reconstruction, or
4 renovation of an existing dwelling or other structure, with or without
5 demolition, new construction, or enlargement, provided the repair,
6 reconstruction, or renovation:

7 (A) is for the purpose of eliminating substandard structural, housing,
8 or unsanitary conditions or stopping significant deterioration of the existing
9 structure; and

10 (B) equals or exceeds a total cost of 15 percent of the grand list value
11 prior to repair, reconstruction, or renovation or \$75,000.00, whichever is less.

12 (9) “Taxable value” means the value of qualifying property that is taxed
13 during the exemption period.

14 § 3871. EXEMPTION

15 (a) Value increase exemption. An increase in the appraisal value of a
16 qualifying property due to qualifying improvements shall be exempted from
17 property taxation pursuant to this subchapter by fixing and maintaining the
18 taxable value of the qualifying property at the property’s grand list value in the
19 year immediately preceding any qualifying improvements. A decrease in
20 appraisal value of a qualifying property due to damage or destruction from fire

1 or act of nature may reduce the qualifying property’s taxable value below the
2 value fixed under this subsection.

3 (b) State education property tax exemption. The appraisal value of
4 qualifying improvements to qualifying property shall be exempt from the State
5 education property tax imposed under chapter 135 of this title as provided
6 under this subchapter. The appraisal value exempt under this subsection shall
7 not be exempt from municipal property taxation unless the qualifying property
8 is located in a municipality that has voted to approve an exemption under
9 subsection (c) of this section.

10 (c) Municipal property tax exemption. If the legislative body of a
11 municipality by a majority vote recommends, the voters of a municipality may,
12 at an annual or special meeting warned for that purpose, adopt by a majority
13 vote of those present and voting an exemption from municipal property tax for
14 the value of qualifying improvements to qualifying property exempt from State
15 property taxation under subsection (b) of this section. The municipal
16 exemption shall remain in effect until rescinded in the same manner the
17 exemption was adopted. Not later than 30 days after the adjournment of a
18 meeting at which a municipal exemption is adopted or rescinded under this
19 subsection, the town clerk shall report to the Director of Property Valuation
20 and Review and the Agency the date on which the exemption was adopted or
21 rescinded.

1 (d) Exemption period.

2 (1) An exemption under this subchapter shall start in the first property
3 tax year immediately following the year in which an application for exemption
4 under section 3872 of this title is approved and one of the following occurs:

5 (A) issuance of a certificate of occupancy by the municipal governing
6 body for the qualifying property; or

7 (B) the property owner’s declaration of ownership of the qualifying
8 property as a homestead pursuant to section 5410 of this title.

9 (2) An exemption under this subchapter shall remain in effect for three
10 years, provided the property continues to comply with the requirements of this
11 subchapter. When the exemption period ends, the property shall be taxed at its
12 most recently appraised grand list value.

13 (3) The municipal exemption period for a qualifying property shall start
14 and end at the same time as the State exemption period; provided that, if a
15 municipality first votes to approve a municipal exemption after the State
16 exemption period has already started for a qualifying property, the municipal
17 exemption shall only apply after the vote and notice requirements have been
18 met under subsection (c) of this section and shall only continue until the State
19 exemption period ends.

1 § 3872. ADMINISTRATION AND CERTIFICATION

2 (a) To be eligible for exemption under this subchapter, a property owner
3 shall:

4 (1) submit an application to the Agency of Commerce and Community
5 Development in the form and manner determined by the Agency, including
6 certification by the property owner that the property and improvements qualify
7 for exemption at the time of application and annually thereafter until the
8 exemption period ends; and

9 (2) the certification shall include an attestation under the pains and
10 penalties of perjury that the property will be used in the manner provided under
11 this subchapter during the exemption period, including occupancy of dwellings
12 as principal residences and not as short-term rentals as defined under 18 V.S.A.
13 § 4301(a)(14), and that the property owner will either provide alternative
14 housing for tenants at the same rent or that the property has been unoccupied
15 either by a tenant’s choice or for 60 days prior to the application. A
16 certification by the property owner granted under this subdivision shall:

17 (A) be coextensive with the exemption period;

18 (B) require notice to the Agency of the transfer or assignment of the
19 property prior to transfer, which shall include the transferee’s or assignee’s full
20 names, phone numbers, and e-mail and mailing addresses;

1 (C) require notice to any prospective transferees or assignees of the
2 property of the requirements of the exemption under this subchapter; and

3 (D) require a new certification to be signed by the transferees or
4 assignees of the property.

5 (b) The Agency shall establish and make available application forms and
6 procedures necessary to verify initial and ongoing eligibility for exemption
7 under this subchapter. Not later than 60 days after receipt of a completed
8 application, the Agency shall determine whether the property and any proposed
9 improvements qualify for exemption and shall issue a written decision
10 approving or denying the exemption. The Agency shall notify the property
11 owner, the municipality where the property is located, and the Commissioner
12 of Taxes of its decision.

13 (c) If the property owner fails to use the property according to the terms of
14 the certification, the Agency shall, after notifying the property owner,
15 determine whether to revoke the exemption. If the exemption is revoked, the
16 Agency shall notify the property owner, the municipality where the property is
17 located, and the Commissioner of Taxes. Upon notification of revocation, the
18 Commissioner shall assess to the property owner:

19 (1) all State and municipal property taxes as though no exemption had
20 been approved, including for any exemption period that had already begun;
21 and

1 Sec. 82. REPEALS; NEW CONSTRUCTION OR REHABILITATION
2 EXEMPTION

3 The following are repealed on July 1, 2037:

4 (1) 32 V.S.A. § 3800(q) (statutory purpose); and

5 (2) 32 V.S.A. chapter 125, subchapter 3 (new construction or
6 rehabilitation exemption).

7 Sec. 83. 32 V.S.A. § 4152(a) is amended to read:

8 (a) When completed, the grand list of a town shall be in such form as the
9 Director prescribes and shall contain such information as the Director
10 prescribes, including:

11 * * *

12 (6) For those parcels that are exempt, the insurance replacement value
13 reported to the local assessing officials by the owner under section 3802a of
14 this title or what the full listed value of the property would be absent the
15 exemption and the statutory authority for granting such exemption and, for
16 properties exempt pursuant to a vote, the year in which the exemption became
17 effective and the year in which the exemption ends; ~~provided that, for parcels~~
18 ~~exempt under chapter 125, subchapter 3 of this title, the insurance replacement~~
19 ~~value shall not be substituted for the full listed value of the property absent the~~
20 ~~exemption and the grand list shall indicate whether the exemption applies to~~
21 ~~the State property tax or both the State and municipal property taxes.~~

1 Sec. 84. [Deleted.]

2 Sec. 85. [Deleted.]

3 Fourth: In Sec. 114, effectives dates, by striking out subdivision (6) in its
4 entirety and inserting in lieu thereof the following:

5 (6) Sec. 73 (property transfer tax) shall take effect August 1, 2024.

6 Fifth: By striking out Secs. 86–97, housing programs, and their reader
7 assistance heading in their entirety and inserting in lieu thereof new reader
8 assistance headings and new Secs. 86–97 to read as follows:

9 * * * Housing Programs * * *

10 Sec. 86. 10 V.S.A. § 699 is amended to read:

11 § 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

12 (a) Creation of Program.

13 (1) The Department of Housing and Community Development shall
14 design and implement the Vermont Rental Housing Improvement Program,
15 through which the Department shall award funding to statewide or regional
16 nonprofit housing organizations, or both, to provide competitive grants and
17 forgivable loans to private landlords for the rehabilitation, including
18 weatherization and accessibility improvements, of eligible rental housing units.

19 (2) The Department shall develop statewide standards for the Program,
20 including factors that partner organizations shall use to evaluate applications
21 and award grants and forgivable loans.

1 (3) A landlord shall not offer a unit created through the Program as a
2 short-term rental, as defined in 18 V.S.A. § 4301, for the period a grant or loan
3 agreement is in effect.

4 (4) The Department may utilize a reasonable percentage, up to a cap of
5 five percent, of appropriations made to the Department for the Program to
6 administer the Program.

7 (5) The Department may cooperate with and subgrant funds to State
8 agencies and governmental subdivisions and public and private organizations
9 in order to carry out the purposes of this subsection.

10 (b) Eligible rental housing units. The following units are eligible for a
11 grant or forgivable loan through the Program:

12 (1) Non-code compliant.

13 (A) The unit is an existing unit, whether or not occupied, that does
14 not comply with the requirements of applicable building, housing, or health
15 laws.

16 (B) If the unit is occupied, the grant or forgivable loan agreement
17 shall include terms:

18 * * *

19 (d) Program requirements applicable to grants and forgivable loans.

20 (1)(A) A grant or loan shall not exceed:

1 (i) \$70,000.00 per unit, for rehabilitation or creation of an eligible
2 rental housing unit meeting the applicable building accessibility requirements
3 under the Vermont Access Rules; or

4 (ii) \$50,000.00 per unit, for rehabilitation or creation of any other
5 eligible rental housing unit.

6 (B) In determining the amount of a grant or loan, a housing
7 organization shall consider the number of bedrooms in the unit ~~and~~, whether
8 the unit is being rehabilitated or newly created, whether the project includes
9 accessibility improvements, and whether the unit is being converted from
10 nonresidential to residential purposes.

11 (2) A landlord shall contribute matching funds or in-kind services that
12 equal or exceed 20 percent of the value of the grant or loan.

13 (3) A project may include a weatherization component.

14 (4) A project shall comply with applicable building, housing, and health
15 laws.

16 (5) The terms and conditions of a grant or loan agreement apply to the
17 original recipient and to a successor in interest for the period the grant or loan
18 agreement is in effect.

19 (6) The identity of a recipient ~~and~~, the amount of a grant or forgivable
20 loan, the year in which the grant or forgivable loan was extended, and the year
21 in which any affordability covenant ends are public records that shall be

1 available for public copying and inspection and the Department shall publish
2 this information at least quarterly on its website.

3 (7) A project for rehabilitation or creation of an accessible unit may
4 apply funds to the creation of a parking spot for individuals with disabilities.

5 (e) Program requirements applicable to grants and five-year forgivable
6 loans. For a grant or five-year forgivable loan awarded through the Program,
7 the following requirements apply for a minimum period of five years:

8 (1) A landlord shall coordinate with nonprofit housing partners and local
9 coordinated entry organizations to identify potential tenants.

10 (2)(A) Except as provided in subdivision (2)(B) of this subsection (e), a
11 landlord shall lease the unit to a household that is:

12 (i) exiting homelessness ~~or~~, including any individual under 25
13 years of age who secures housing through a master lease held by a youth
14 service provider on behalf of individuals under 25 years of age;

15 (ii) actively working with an immigrant or refugee resettlement
16 program; or

17 (iii) composed of at least one individual with a disability who is
18 eligible to receive Medicaid-funded home and community based services.

19 (B) If, upon petition of the landlord, the Department or the housing
20 organization that issued the grant determines that a household ~~existing~~

1 ~~homelessness~~ under subdivision (A) of this subdivision (2) is not available to
2 lease the unit, then the landlord shall lease the unit:

3 (i) to a household with an income equal to or less than 80 percent
4 of area median income; or

5 (ii) if such a household is unavailable, to another household with
6 the approval of the Department or housing organization.

7 (3)(A) A landlord shall accept any housing vouchers that are available to
8 pay all, or a portion of, the tenant's rent and utilities.

9 (B) If no housing voucher or federal or State subsidy is available, the
10 total cost of rent for the unit, including utilities not covered by rent payments,
11 shall not exceed the applicable fair market rent established by the Department
12 of Housing and Urban Development.

13 (4)(A) A landlord may convert a grant to a forgivable loan upon
14 approval of the Department and the housing organization that approved the
15 grant.

16 (B) A landlord who converts a grant to a forgivable loan shall receive
17 a ~~10-percent~~ prorated credit for loan forgiveness for each year in which the
18 landlord participates in the ~~grant program~~ Program.

19 (f) Requirements applicable to 10-year forgivable loans. For a 10-year
20 forgivable loan awarded through the Program, the following requirements
21 apply for a minimum period of 10 years:

1 (1) A landlord shall coordinate with nonprofit housing partners and local
2 coordinated entry organizations to identify potential tenants.

3 (2)(A) Except as provided in subdivision (2)(B) of this subsection (f), a
4 landlord shall lease the unit to a household that is:

5 (i) exiting homelessness, including any individual under 25 years
6 of age who secures housing through a master lease held by a youth service
7 provider on behalf of individuals under 25 years of age;

8 (ii) actively working with an immigrant or refugee resettlement
9 program; or

10 (iii) composed of at least one individual with a disability who is
11 eligible to receive Medicaid-funded home and community based services.

12 (B) If, upon petition of the landlord, the Department or the housing
13 organization that issued the grant determines that a household under
14 subdivision (2)(A) of this subsection (f) is not available to lease the unit, then
15 the landlord shall lease the unit:

16 (i) to a household with an income equal to or less than 80 percent
17 of area median income; or

18 (ii) if such a household is unavailable, to another household with
19 the approval of the Department or housing organization.

20 (3)(A) A landlord shall accept any housing vouchers that are available to
21 pay all, or a portion of, the tenant’s rent and utilities.

1 (B) If no housing voucher or federal or State subsidy is available, the
2 cost of rent for the unit, including utilities not covered by rent payments, shall
3 not exceed the applicable fair market rent established by the Department of
4 Housing and Urban Development.

5 ~~(2)~~(4) The Department shall forgive 10 percent of the amount of a
6 forgivable loan for each year a landlord participates in the loan program.

7 * * *

8 Sec. 87. APPROPRIATION; VERMONT RENTAL HOUSING

9 IMPROVEMENT PROGRAM

10 The sum of \$1,900,000.00 is appropriated from the General Fund to the
11 Department of Housing and Community Development in fiscal year 2025 for
12 the Vermont Rental Housing Improvement Program established in 10 V.S.A.
13 § 699.

14 Sec. 88. RESIDENT SERVICES PROGRAM

15 (a) The Agency of Human Services shall work in coordination with the
16 Vermont Housing and Conservation Board to develop the Resident Services
17 Program for the purpose of distributing funds to eligible affordable housing
18 organizations to respond to timely and urgent resident needs and aid with
19 housing retention.

20 (b) For purposes of this section, an “eligible affordable housing
21 organization” is a Vermont-based nonprofit or public housing organization that

1 makes available at least 15 percent of its affordable housing portfolio to, or a
2 Vermont-based nonprofit that provides substantial services to, families and
3 individuals experiencing homelessness, including those who require service
4 support or rental assistance to secure and maintain their housing, consistent
5 with the goal of Executive Order No. 03-16 (Publicly Funded Housing for the
6 Homeless).

7 Sec. 89. 2023 Acts and Resolves No. 47, Sec. 36 is amended to read:

8 Sec. 36. MIDDLE-INCOME HOMEOWNERSHIP DEVELOPMENT
9 PROGRAM

10 * * *

11 (d) The total amount of subsidies for a project shall not exceed 35 percent
12 of eligible development costs, as determined by the Agency, ~~which the~~ at the
13 time of approval of the project, unless the Agency later determines that the
14 project will not result in affordable owner-occupied housing for income-
15 eligible homebuyers without additional subsidy, in which case the Agency
16 may, at its discretion, reasonably exceed this limitation and only to the extent
17 required to achieve affordable owner-occupied housing. The Agency ~~may~~
18 shall allocate subsidies consistent with the following:

19 * * *

1 Sec. 90. APPROPRIATION; FIRST-GENERATION HOMEBUYER
2 PROGRAM

3 The sum of \$1,000,000.00 is appropriated from the General Fund to the
4 Department of Housing and Community Development in fiscal year 2025 for a
5 grant to the Vermont Housing Finance Agency for the First-Generation
6 Homebuyer Program established by 2022 Acts and Resolves No. 182, Sec. 2,
7 and amended from time to time.

8 Sec. 91. APPROPRIATION; LAND ACCESS AND OPPORTUNITY
9 BOARD

10 The sum of \$1,000,000.00 is appropriated from the General Fund to the
11 Vermont Housing and Conservation Board in fiscal year 2025 to administer
12 and support the Land Access and Opportunity Board.

13 * * * Accessibility Priority for Housing Authorities * * *

14 Sec. 92. 24 V.S.A. § 4010 is amended to read:

15 § 4010. DUTIES

16 (a) In the operation ~~of~~ or management of housing projects, an authority
17 shall at all times observe the following duties with respect to rentals and tenant
18 selection:

19 * * *

20 (6) When renting or leasing accessible dwelling accommodations, it
21 shall give priority to tenants with a disability. As used in this subdivision,

1 “accessible” means a dwelling that complies with the requirements for an
2 accessible unit set forth in section 1102 of the 2017 ICC Standard for
3 Accessible and Useable Buildings and Facilities or a similar standard adopted
4 by the Access Board by rule pursuant to 20 V.S.A. § 2901.

5 * * *

6 Sec. 93. [Deleted.]

7 Sec. 94. [Deleted.]

8 Sec. 95. [Deleted.]

9 Sec. 96. [Deleted.]

10 Sec. 97. [Deleted.]

11 Sixth: By striking out Secs. 106–108, mobile homes, in their entireties and
12 inserting in lieu thereof new Secs. 106–108 to read as follows:

13 Sec. 106. 2022 Acts and Resolves No. 182, Sec. 3, as amended by 2023 Acts
14 and Resolves No. 3, Sec. 75 and 2023 Acts and Resolves No. 78, Sec. C.119,
15 is further amended to read:

16 Sec. 3. MANUFACTURED HOME IMPROVEMENT AND
17 ~~REPLACEMENT~~ REPAIR PROGRAM

18 (a) Of the amounts available from the American Rescue Plan Act (ARPA)
19 recovery funds, \$4,000,000 is appropriated to the Department of Housing and
20 Community Development for the purposes specified Amounts appropriated to
21 the Department of Housing and Community Development for the

1 Manufactured Home Improvement and Repair Program shall be used for one
2 or more of the following purposes:

3 * * *

4 (b) The Department administers the Manufactured Home Improvement and
5 Repair Program and may utilize a reasonable percentage, up to a cap of five
6 percent, of appropriations made to the Department for the Program to
7 administer the Program.

8 (c) The Department may cooperate with and subgrant funds to State
9 agencies and governmental subdivisions and public and private organizations
10 in order to carry out the purposes of subsection (a) of this section.

11 Sec. 107. MANUFACTURED HOME IMPROVEMENT AND REPAIR
12 PROGRAM APPROPRIATIONS; INFRASTRUCTURE; MOBILE
13 HOME REPAIR

14 The sum of \$1,000,000.00 is appropriated from the General Fund to the
15 Department of Housing and Community Development in fiscal year 2025 for
16 the following purposes:

17 (1) to improve mobile home park infrastructure under the Manufactured
18 Home Improvement and Repair Program established by 2022 Acts and
19 Resolves No. 182, Sec. 3, and amended from time to time; and

1 (2) to expand the Home Repair Awards program under the
2 Manufactured Home Improvement and Repair Program established by 2022
3 Acts and Resolves No. 182, Sec. 3, and amended from time to time.

4 Sec. 108. [Deleted.]

5 Seventh: In Sec. 113, landlord-tenant law; study committee; report, by
6 adding subsection (h) to read as follows:

7 (h) Appropriation. The sum of \$10,500.00 is appropriated to the General
8 Assembly from the General Fund in fiscal year 2025 for per diem
9 compensation and reimbursement of expenses for members of the Committee.

10 Eighth: By adding a new section to be Sec. 113a to read:

11 Sec. 113a. LONG-TERM AFFORDABLE HOUSING; STUDY

12 COMMITTEE; REPORT

13 (a) Creation. There is created the Long-Term Affordable Housing Study
14 Committee for the purpose of creating a plan to develop, sustain, and preserve
15 affordable housing in response to Vermont’s housing and homelessness crisis.

16 The Committee shall focus on creating permanently affordable housing;
17 reducing both sheltered and unsheltered homelessness; providing opportunities
18 for housing mobility, including homeownership; and ensuring services and
19 specialized housing options are available to Vermonters currently unable to
20 access safe or affordable housing.

1 (b) Membership. The Committee shall be composed of the following
2 members:

3 (1) two current members of the House of Representatives, not all from
4 the same political party, who shall be appointed by the Speaker of the House;

5 (2) two current members of the Senate, not all from the same political
6 party, who shall be appointed by the Committee on Committees;

7 (3) the Executive Director of the Vermont Housing and Conservation
8 Board or designee;

9 (4) the Executive Director of the Vermont Housing Finance Agency or
10 designee;

11 (5) the Commissioner of the Department of Housing and Community
12 Development or designee;

13 (6) the Commissioner of the Department for Children and Families or
14 designee; and

15 (7) three members appointed by the Housing and Homelessness Alliance
16 of Vermont.

17 (c) Powers and duties. The Committee shall collect data and information
18 on housing and homelessness, Vermonters' experience with housing in
19 Vermont, and successful housing models within and outside Vermont; provide
20 an analysis of Vermont's affordable housing development needs; and make

1 recommendations on a long-term plan to create permanently affordable
2 housing, including:

3 (1) the number of affordable rental-, homeownership-, and other service-
4 supported housing units needed to fulfill the needs of Vermonters;

5 (2) the cost of building or rehabilitating the housing to meet Vermont’s
6 need for affordable housing broken down by program, with a schedule that
7 establishes affordable housing needs annually for the next 10 years;

8 (3) an evaluation of the subsidy need to make both rental and
9 homeownership housing affordable to people at different income levels; and

10 (4) an annual estimate of the number of people who would no longer
11 experience homelessness as a result of implementation of the recommendations
12 of the Committee.

13 (d) Assistance. The Committee shall have the administrative, technical,
14 and legal assistance of the Vermont Housing and Conservation Board.

15 (e) Report. On or before December 1, 2024, the Committee shall report to
16 the House Committees on General and Housing, on Appropriations, and on
17 Ways and Means and the Senate Committees on Economic Development,
18 Housing and General Affairs, on Appropriations, and on Finance with its
19 findings and any recommendations for legislative action, which may be in the
20 form of proposed legislation or revenue or appropriations recommendations.

21 (f) Meetings.

1 (1) The ranking member of the Senate shall call the first meeting of the
2 Committee to occur on or before August 31, 2024.

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

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

6 (4) The Committee shall cease to exist upon submission of its
7 recommendations for legislative action and any findings to the House
8 Committees on General and Housing, on Appropriations, and on Ways and
9 Means and the Senate Committees on Economic Development, Housing and
10 General Affairs, on Appropriations, and on Finance.

11 (g) Compensation and reimbursement.

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

17 (2) Other members of the Committee shall be entitled to per diem
18 compensation and reimbursement of expenses as permitted under 32 V.S.A.
19 § 1010 for not more than 12 meetings.

20 (3) Payments to members of the Committee authorized under this
21 subsection shall be made from monies appropriated to the General Assembly.

1 Ninth: By adding a reader assistance heading and a new section to be Sec.
2 113b to read:

3 * * * Natural Resources Board Appropriation * * *

4 Sec. 113b. APPROPRIATION; NATURAL RESOURCES BOARD

5 The sum of \$400,000.00 is appropriated from the General Fund to the
6 Natural Resources Board in fiscal year 2025 for compensation of board
7 members.

8 Tenth: By striking out Sec. 99, 32 V.S.A. § 3102, in its entirety and
9 inserting in lieu thereof a new Sec. 99 to read as follows:

10 Sec. 99. 32 V.S.A. § 3102 is amended to read:

11 § 3102. CONFIDENTIALITY OF TAX RECORDS

12 (a) No present or former officer, employee, or agent of the Department of
13 Taxes shall disclose any return or return information to any person who is not
14 an officer, employee, or agent of the Department of Taxes except in
15 accordance with the provisions of this section. A person who violates this
16 section shall be fined not more than \$1,000.00 or imprisoned for not more than
17 one year, or both; and if the offender is an officer or employee of this State, the
18 offender shall, in addition, be dismissed from office and be incapable of
19 holding any public office for a period of five years thereafter.

20 (b) The following definitions shall apply for purposes of this chapter:

21 * * *

1 (3) “Return information” includes a person’s name, address, date of
2 birth, Social Security or federal identification number or any other identifying
3 number; information as to whether or not a return was filed or required to be
4 filed; the nature, source, or amount of a person’s income, payments, receipts,
5 deductions, exemptions, credits, assets, liabilities, net worth, tax liabilities, tax
6 payments, deficiencies, or over-assessments; and any other data, from any
7 source, furnished to or prepared or collected by the Department of Taxes with
8 respect to any person.

9 * * *

10 (e) The Commissioner may, in the Commissioner’s discretion and subject
11 to such conditions and requirements as the Commissioner may provide,
12 including any confidentiality requirements of the Internal Revenue Service,
13 disclose a return or return information:

14 * * *

15 (22) To the Agency of Natural Resources and the Department of Public
16 Service, provided that the disclosure relates to the sales and use tax for aviation
17 jet fuel and natural gas under chapter 233 of this title or to the fuel tax under 33
18 V.S.A. chapter 25 and is subject to any confidentiality requirements of the
19 Internal Revenue Service and the disclosure exemption provisions of 1 V.S.A.
20 § 317.

1 (23) To the Division of Vermont Emergency Management at the
2 Department of Public Safety for the purposes of emergency management and
3 communication, and to the Department of Housing and Community
4 Development and any organization then under contract with the Department of
5 Housing and Community Development to carry out a statewide housing needs
6 assessment for the purpose of the statewide housing needs assessment,
7 provided that the disclosure relates to the information collected on the landlord
8 certificate pursuant to subsection 6069(c) of this title.

9

10

11

12

13 (Committee vote: _____)

14

15

Senator _____

16

FOR THE COMMITTEE