1	TO THE HOUSE OF REPRESENTATIVES:	
2	The Committee on Government Operations to which was referred House	
3	Bill No. 859 entitled "An act relating to requiring municipal corporations to	
4	affirmatively vote to retain ownership of lease lands" respectfully reports that	
5	it has considered the same and recommends that the bill be amended by	
6	striking out all after the enacting clause and inserting in lieu thereof the	
7	following:	
8	Sec. 1. 24 V.S.A. § 2409 is added to read:	
9	§ 2409. RETENTION OF MUNICIPAL OWNERSHIP OF LEASE LANDS	
10	(a) As used in this section:	
11	(1) "Legislative body" means the officer or officers of a municipal	
12	corporation who are charged with the care of the municipal corporation's lease	
13	<u>lands.</u>	
14	(2) "Lessee" means the person entitled to possess, enjoy, and use land	
15	subject to a perpetual lease and shall include the person's heirs, executors,	
16	administrators, and assigns.	
17	(3) "Municipal corporation" shall have the same meaning as	
18	"municipality" in 1 V.S.A. § 126 and shall also include every municipal	
19	corporation identified in subdivision 1751(1) of this title, county grammar	
20	schools, any unorganized towns and gores in the State, and any of the unified	

1	towns and gores of Essex County. "Municipal corporation" shall not include	
2	the University of Vermont and State Agricultural College.	
3	(4) "Perpetual lease" means any leasehold interest in Vermont land, and	
4	every estate in Vermont land other than fee simple absolute, the title to which	
5	is held by a municipal corporation according to section 2401 of this title,	
6	arising out of or created by an instrument of lease that conveys to a person	
7	designated as lessee the right to possess, enjoy, and use the land in perpetuity	
8	or substantially in perpetuity. "Perpetual lease" shall include leasehold	
9	interests that are subject to restrictions on the lessee's use of the land and shall	
10	include lands that the municipal corporation may repossess for nonpayment of	
11	rent or other default under the terms of the lease.	
12	(5) "Perpetual lease land" means all land described in a perpetual lease	
13	that is owned in fee simple by a municipal corporation. "Perpetual lease land"	
14	does not include land described in a perpetual lease that is held in title by any	
15	person other than a municipal corporation, or any land described in a perpetual	
16	lease over which the municipal corporation acts exclusively as trustee.	
17	(b)(1) On January 1, 2020, title to perpetual lease lands shall vest in the	
18	current lessee of record, free and clear of any interest of a municipal	
19	corporation but subject to any other encumbrances of record, unless the	
20	legislative body of the municipal corporation votes in the affirmative to retain	
21	ownership of the perpetual lease land.	

1	(2) Notwithstanding subdivision (b)(1) of this section, lease lands that	
2	do not have a current lessee of record, or that are abandoned, unused, or	
3	unoccupied, shall be deemed to vest in the municipal corporation as public	
4	<u>lands.</u>	
5	(c) Nothing in this section shall prevent a municipal corporation that has	
6	retained ownership of perpetual lease land from later conveying the land	
7	according to section 2406 of this title.	
8	Sec. 2. 24 V.S.A. § 1061 is amended to read:	
9	§ 1061. CONVEYANCE OF REAL ESTATE	
10	* * *	
11	(c) Notwithstanding the provisions of subsections (a) and (b) of this	
12	section, the legislative body of a town or village may authorize the conveyance	
13	of municipal real estate if the conveyance:	
14	* * *	
15	(3) Involves real estate used for housing or urban renewal projects under	
16	chapter 113 of this title.	
17	(4) Involves lease land pursuant to chapter 65, subchapter 1 of this title.	
18	* * *	
19	Sec. 3. EFFECTIVE DATE	
20	This act shall take effect on July 1, 2018.	
21		

(Draft No. 3.1 – H.859) 2/20/2018 - TA/BAW - 03:56 PM

1	(Committee vote:)	
2		
3		Representative
4		FOR THE COMMITTEE

Page 4 of 4