

**H.926 An Act relating to changes to Act 250**  
**as passed by SNRE (DR 2.1) summary**  
August 25, 2020

**Act 250 Downtown Exemption**

**Sec. 1** amends a few definitions in Act 250. It makes technical corrections to “mixed income housing” in order to reflect VFHA’s current practice. It strikes the references in “priority housing project” to Downtown Development Districts (DDD) and Neighborhood Development Areas (NDAs).

**Sec. 2** makes multiple changes to Act 250 to exempt DDDs and NDAs from Act 250 and allows existing Act 250 permits in those areas to be released from jurisdiction by going through the process in § 6090.

**Sec. 3** Repeals two sections of Act 250 related to DDDs and NDAs- the expedited process for DDDs and the permit fee discount for NDAs.

**Release from Act 250 Jurisdiction**

**Sec. 4** adds new language to § 6090 that allows landowners to apply to the District Commission to be released from Act 250 jurisdiction. A person may apply to the District Commission if the land would no longer trigger Act 250 jurisdiction but for the existing permit on the land. This would include if the use of land no longer qualifies as “development”, the town has adopted permanent zoning and subdivision bylaws since the permit was issued (and is therefore now a 10-acre town), or if located within a downtown or neighborhood development area. The District Commission then evaluates if the conditions on the permit are still necessary.

**Downtowns and Neighborhood Development Areas**

**Sec. 5** adds the executive director of the Vermont Housing and Conservation Board as a member of the Vermont Downtown Development Board, the body that approves designations.

**Sec. 6** amends the requirements for a Downtown Development District by striking the references to Act 250 and by requiring an additional housing element to promote affordable housing.

**Sec. 7** amends the Neighborhood Development Area statutes in multiple ways. It strikes the references to Act 250. It requires an additional housing element to promote affordable housing (same as in Sec. 6). It also amends the requirement that the NDA not include areas that are in flood hazard areas or river corridors unless the area contains preexisting development and is suitable for infill.

**Designation Appeal**

**Secs. 8-9** The designation of Downtown Development Districts and Neighborhood Development Areas may be appealed to the NRB.

**Municipal Response to Act 250 permits.**

**Sec. 10** Requires municipalities to respond to requests related to impacts under Criterion 6&7 within 90 days or it is presumed the project doesn’t have an unreasonable burden under those criteria.

**Wastewater Connection Permits**

**Secs. 11-14** exempts a person who receives a wastewater connection permit from the municipality from needing a State permit. A municipality may issue wastewater connection permits if the municipality owns a public water system. Allows for connections without a permit, fee, or administrative review time, while still requiring appropriate technical standards, professional certification, and ANR oversight. It also requires ANR to report back to the General Assembly on whether municipalities should have jurisdiction to issue subdivision permits.

**Criterion 1(D)**

**Secs. 15-16** Changes “floodway” to “flood hazard area” and “floodway fringe” to “river corridor” in Criterion 1(D), the floodway criterion, to match ANR’s definitions.

**Trails**

**Secs. 17-23** Adds new definitions to Act 250. Adds new temporary jurisdictional trigger for Vermont Trail System (VTS) trails. Codifies rule that jurisdiction only extends to trail corridor, not rest of parcel. Requires ANR to recommend new regulation program for trails by Dec. 15, 2020. VTS trails in existence as of July 1, 2020 do not need an Act 250 permit until January 1, 2022.

**Forest Blocks**

**Secs. 24-37** Adds new Criterion 8(C) to address undue adverse impact on forest blocks and connecting habitat, which requires projects to avoid, minimize, mitigate fragmentation. Adds new definitions. Requires NRB to adopt rules. Requires ANR to add forest blocks to resource maps.

**Road Rule**

**Sec. 28** Adds the Road Rule as a new jurisdictional trigger which extends Act 250 jurisdiction to new private roads and driveways over 2000 feet in length.

**Wood products manufacturers**

**Secs. 29-30** Allows wood products manufacturers to amend their permit conditions related to hours of operation for limited time during the year.

**Billback Authority**

**Secs. 31-32.** Gives the Dept of Fish and Wildlife ability to bill applicants for costs of personnel and services expended by the Dept. on a major Act 250 permit. Allows the allocation of costs to be appealed to the NRB by either the applicant or the Dept.

**Effective Dates**

**Sec. 33** July 1, 2020, except new Criterion 8 is Sept. 15, 2021 due to rulemaking