

1 H.581

2 Introduced by Representatives Kimbell of Woodstock, Birong of Vergennes,  
3 Brady of Williston, Burrows of West Windsor, Coffey of  
4 Guilford, Conlon of Cornwall, Feltus of Lyndon, Goldman of  
5 Rockingham, Gregoire of Fairfield, Harrison of Chittenden,  
6 Jerome of Brandon, Lefebvre of Newark, Nicoll of Ludlow,  
7 Norris of Shoreham, Noyes of Wolcott, Pajala of Londonderry,  
8 Pearl of Danville, Rogers of Waterville, Rosenquist of Georgia,  
9 Seymour of Sutton, Sibia of Dover, Sims of Craftsbury,  
10 Stebbins of Burlington, Surprenant of Barnard, White of Bethel,  
11 Wood of Waterbury, Yacovone of Morristown, and Yantachka  
12 of Charlotte

13 Referred to Committee on

14 Date:

15 Subject: Conservation and development; economic development; forestry; land  
16 use; Act 250; forest-based enterprises; transportation; primary  
17 agricultural soils; municipal buildings; recreational trails; accessory  
18 on-farm businesses

19 Statement of purpose of bill as introduced: This bill proposes to make multiple  
20 changes to support economic development in the rural areas of the State,  
21 including: establishing the Forest Future Program; reducing the requirement to

1 mitigate the reduction of primary agricultural soils for forest-based enterprises  
2 and community wastewater systems that will serve a housing development  
3 within a designated center; establishing hours of operations conditions in Act  
4 250 permits for forest-based enterprises; clarifying Act 250’s jurisdiction over  
5 recreational trails; creating an Act 250 master plan permit for municipalities  
6 without a designated center; clarifying the definition of an “accessory on-farm  
7 business” and how one is regulated; amending the Act 250 jurisdictional  
8 trigger for affordable housing in designated centers; increasing the allowable  
9 weight for large trucks; requiring the Department of Motor Vehicles  
10 centralized online permitting system to be operational by January 1, 2023;  
11 supporting municipal buildings to convert thermal fuel systems by establishing  
12 the Municipal Fuel Switching Grant Program.

13 An act relating to rural economic development

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

15 \* \* \* Forest Economy Investment \* \* \*

16 Sec. 1. FINDINGS

17 The General Assembly finds that:

18 (1) Private and public forestlands:

19 (A) constitute unique and irreplaceable resources, benefits, and

20 values of statewide importance;

1           (B) contribute to the protection and conservation of wildlife habitat,  
2           air, water, and soil resources of the State;

3           (C) mitigate the effects of climate change; and

4           (D) benefit the general health and welfare of the persons of the State.

5           (2) The forest products industry, including maple sap collection:

6           (A) is a major contributor to and is valuable to the State's economy  
7           by providing nearly 14,000 jobs for Vermonters, generating \$2.1 billion in  
8           annual sales, and supporting \$30.8 million in additional economic activity  
9           from trail uses and seasonal tourism;

10          (B) is essential to the manufacture of forest products that are used  
11          and enjoyed by the persons of the State; and

12          (C) benefits the general welfare of the persons of the State.

13          (3) Private and public forestlands are critical for and contribute  
14          significantly to the State's outdoor recreation and tourism economies.

15          (4) Private and public forestlands and forestry operations are adversely  
16          affected by the encroachment of urban, commercial, and residential land uses  
17          throughout the State that result in forest fragmentation and conversion and  
18          erode the health and sustainability of remaining forests.

19          (5) As a result of encroachment on forests, conflicts have arisen between  
20          traditional forestry land uses, and urban, commercial, and residential land uses

1 that convert forestland permanently to other uses, resulting in an adverse  
2 impact to the economy and natural environment of the State.

3 (6) The encouragement, development, improvement, and preservation of  
4 forestry operations will result in extant, intact, and functioning forests that will  
5 provide a general benefit to the health and welfare of the persons of the State  
6 and the State's economy.

7 (7) To strengthen, promote, and protect the Vermont forest products  
8 industry, the State should establish the Vermont Forest Future Program.

9 Sec. 2. 10 V.S.A. chapter 82 is added to read:

10 CHAPTER 82. VERMONT FOREST FUTURE PROGRAM

11 § 2531. VERMONT FOREST FUTURE PROGRAM; ACTION PLAN

12 (a) Creation. The Vermont Sustainable Jobs Fund Program, in consultation  
13 and collaboration with the Commissioner of Forests, Parks and Recreation,  
14 shall establish the Forest Future Program to strengthen, modernize, promote,  
15 and protect the forest products industry in Vermont.

16 (b) Intended outcomes. The intended outcomes of the Vermont Forest  
17 Future Program are to:

18 (1) increase sustainable economic development in Vermont's forest  
19 economy;

20 (2) encourage the use of sustainable and responsible forest management  
21 practices in the management of the forest resources of the State; and

1           (3) develop and prepare a workforce to support the Vermont forest  
2           economy into the future.

3           (c) Action Plan requirements. The Vermont Sustainable Jobs Fund  
4           Program, in consultation and collaboration with the Commissioner of Forests,  
5           Parks and Recreation, shall create the strategic Vermont Forest Future Action  
6           Plan for implementation of the Vermont Forest Future Program. The Action  
7           Plan shall be designed to strengthen, modernize, promote, and protect the  
8           forests products industry in Vermont. The Vermont Sustainable Jobs Fund, in  
9           consultation with the Commissioner of Forests, Parks and Recreation, shall  
10          review the Action Plan periodically and shall update the Action Plan at least  
11          every 10 years.

12          (d) Action Plan content. The Vermont Forest Future Action Plan shall:

13           (1) identify infrastructure investment and funding to support and  
14           promote Vermont forest products enterprises, including existing and potential  
15           funding sources that forest products enterprises can access to obtain necessary  
16           capital to sustain and modernize equipment and forestry practices;

17           (2) propose policy or regulatory recommendations to support and  
18           strengthen the Vermont forest economy;

19           (3) identify recommendations to support education and development of  
20           the workforce of Vermont forest enterprises;

1           (4) propose alternatives for the modernization of transportation and  
2           regulation of Vermont forest enterprises, including permit modernization;

3           (5) identify methods or programs that Vermont forest enterprises can  
4           utilize to access business assistance services;

5           (6) recommend how to maintain access by Vermont forest products  
6           enterprises to forestland while maintaining the stewardship and conservation of  
7           Vermont forests as a whole;

8           (7) propose methods to enhance market development and manufacturing  
9           by Vermont forest enterprises, including value chain coordination and regional  
10          partnerships; and

11          (8) recommend consumer education and marketing initiatives.

12          (e) Development of Action Plan. The Vermont Sustainable Jobs Fund  
13          Program shall develop the Action Plan and all subsequent revisions through the  
14          use of a public stakeholder process that includes and invites participation by  
15          interested parties representing all users of Vermont's forests, including  
16          representatives of forest enterprises, State agencies, investors, forestland  
17          owners, recreational interests, wood products manufacturers, higher education  
18          representatives, and environmental organizations. In the development of the  
19          Action Plan and any revision, the Vermont Sustainable Jobs Fund Program  
20          shall consult and collaborate with the Commissioner of Forests, Parks and

1 Recreation as the State entity with authority over management of State forests  
2 and promotion of the forest economy.

3 (f) Use of Action Plan. As an ongoing task, the Vermont Forest Future  
4 Program shall use the information gathered for the Action Plan and updates to  
5 the Action Plan to identify methods and the funding necessary to strengthen  
6 the links among landowners, forest professionals, producers, processors,  
7 partners, markets, and supporting agencies and organizations, including:

8 (1) collaborating with the Department of Forests, Parks and Recreation  
9 to support and grow the Vermont forest economy;

10 (2) supporting the work of the Working Lands Enterprise Board to  
11 strategically invest in forest enterprises and service providers;

12 (3) collaborating with the Department of Buildings and General Services  
13 to increase State procurement of Vermont forest-based products;

14 (4) identifying opportunities for all State agencies to engage with and  
15 enhance the Vermont forest economy, including:

16 (A) economic development and business assistance from the Agency  
17 of Commerce and Community Development;

18 (B) workforce training and technical education programs from the  
19 Agency of Education;

20 (C) motor vehicle and roadway weight limits enforced by the Agency  
21 of Transportation;

1           (D) advanced wood heat development opportunities supported by the  
2           Department of Public Service;

3           (E) workforce development and support offered by the Department of  
4           Labor;

5           (F) environmental permitting reform and permitting assistance from  
6           the Agency of Natural Resources and the Natural Resources Board; and

7           (G) other appropriate opportunities identified by the Vermont  
8           Sustainable Jobs Fund Program;

9           (5) supporting initiatives that improve the marketing of forest products  
10          from Vermont to consumers within the State and outside the State;

11          (6) supporting education and workforce development initiatives that  
12          address skill and labor needs of forest enterprises; and

13          (7) informing forestry investors of the information collected in order to  
14          facilitate the availability of forest sector financing.

15          (g) Administration. To accomplish the requirements of this section and  
16          achieve the goals of the Program, the Vermont Forest Future Program may:

17           (1) create an advisory panel with representatives from forest enterprises,  
18           forestland owners, related businesses, recreational interests, State agencies, and  
19           conservation organizations;

20           (2) hire or assign staff;

21           (3) seek and accept funds from private and public entities;



1           (4) serve as the administrative support for the Vermont Forest Industry  
2           Network; and

3           (5) utilize technical assistance, loans, grants, or other means of support.

4           Sec. 3. IMPLEMENTATION

5           (a) The Vermont Sustainable Jobs Fund Program, after consultation and  
6           collaboration with the Department of Forests, Parks and Recreation, shall  
7           submit to the General Assembly:

8           (1) draft recommendations for the Vermont Forest Future Action Plan  
9           on or before July 1, 2023; and

10           (2) a final report and recommendations for the Vermont Forest Future  
11           Action Plan on or before January 1, 2024.

12           (b) Any recommendation submitted under this section shall include  
13           recommended appropriations sufficient to implement the recommendation or  
14           the Action Plan as a whole.

15           Sec. 4. APPROPRIATIONS

16           In addition to any other funds appropriated to the Vermont Sustainable Jobs  
17           Fund Program in fiscal year 2023, there is appropriated from the General Fund  
18           to the Program \$250,000.00 in fiscal year 2023 for the purpose of the  
19           implementation of the Vermont Forest Future Program and issuance of the  
20           Vermont Forest Future Action Plan required by 10 V.S.A. § 2531.

1                                   \* \* \* Forest-based Enterprises \* \* \*

2       Sec. 5. 10 V.S.A. § 6001(43) and (44) are added to read:

3               (43) “Forest-based enterprise” means an enterprise that aggregates forest  
4       products from forestry operations and adds value through processing or  
5       marketing in the forest products supply chain or directly to consumers through  
6       retail sales. “Forest-based enterprise” includes sawmills; veneer mills; pulp  
7       mills; pellet mills; producers of firewood, woodchips, mulch, and fuel wood;  
8       and log and pulp concentration yards. “Forest-based enterprise” does not  
9       include facilities that purchase, market, and resell finished goods, such as  
10      wood furniture, wood pellets, and milled lumber, without first receiving forest  
11      products from forestry operations.

12              (44) “Forest product” means logs, pulpwood, veneer wood, bolt wood,  
13      wood chips, stud wood, poles, pilings, biomass, fuel wood, maple sap, and  
14      bark.

15       Sec. 6. 10 V.S.A. § 6086(c) is amended to read:

16              (c) Permit conditions.

17              (1) A permit may contain such requirements and conditions as are  
18      allowable proper exercise of the police power and ~~which~~ that are appropriate  
19      within the respect to subdivisions (a)(1) through (10) of this section, including  
20      those set forth in 24 V.S.A. §§ 4414(4), 4424(a)(2), 4414(1)(D)(i), 4463(b),  
21      and 4464; the dedication of lands for public use; and the filing of bonds to

1 ensure compliance. The requirements and conditions incorporated from  
2 Title 24 may be applied whether or not a local plan has been adopted. General  
3 requirements and conditions may be established by rule of the Natural  
4 Resources Board.

5 (2) Permit conditions on a forest-based enterprise.

6 (A) A permit condition that sets hours of operation for a forest-based  
7 enterprise shall only be imposed to mitigate an impact under subdivision  
8 (a)(1), (5), or (8) of this section.

9 (B) Unless an impact under subdivision (a)(1), (5), or (8) of this  
10 section would result, a permit issued to a forest-based enterprise shall allow the  
11 enterprise to ship and receive forest products outside regular hours of  
12 operation. These permits shall allow for deliveries of forest products from  
13 forestry operations to the enterprise outside permitted hours of operation,  
14 including nights, weekends, and holidays, for a minimum of 60 days per year.

15 (C) In making a determination under this subdivision (2) as to  
16 whether an impact exists, the District Commission shall consider the  
17 enterprise's role in sustaining forestland use and the impact of the permit  
18 condition on the forest-based enterprise. Conditions shall impose the  
19 minimum restriction necessary to address the undue adverse impact.

20 (3) Permit conditions on the delivery of wood heat fuels. A permit  
21 issued to a forest-based enterprise that produces wood chips, pellets, cord

1 wood, or other fuel wood used for heat shall allow shipment of that fuel wood  
2 from the enterprise to the end user outside permitted hours of operation,  
3 including nights, weekends, and holidays, from October 1 through April 30 of  
4 each year.

5 Sec. 7. 10 V.S.A. § 6093 is amended to read:

6 § 6093. MITIGATION OF PRIMARY AGRICULTURAL SOILS

7 (a) Mitigation for loss of primary agricultural soils. Suitable mitigation for  
8 the conversion of primary agricultural soils necessary to satisfy subdivision  
9 6086(a)(9)(B)(iv) of this title shall depend on where the project tract is located.

10 \* \* \*

11 (5) Forest-based enterprises. Notwithstanding any provision of this  
12 chapter to the contrary, a conversion of primary agricultural soils by a forest-  
13 based enterprise shall be allowed to pay a mitigation fee computed according  
14 to the provisions of subdivision (1) of this subsection, except that it shall be  
15 entitled to a ratio of 1:1 protected acres to acres of affected primary  
16 agricultural soil.

17 Sec. 8. 10 V.S.A. § 6081 is amended to read:

18 § 6081. PERMITS REQUIRED; EXEMPTIONS

19 \* \* \*

1           (y) No permit or permit amendment shall be required for either:

2                   (1) a sawmill that produces three and one-half million board feet or less  
3           annually; or

4                   (2) an operation that involves the primary processing of forest products  
5           of commercial value and that annually produces:

6                           (A) 3,500 cords or less of firewood or cordwood; or

7                           (B) 10,000 tons or less of bole wood, whole tree chips, or wood  
8           pellets.

9           Sec. 9. REPEAL

10           10 V.S.A. § 6084(g) is repealed.

11   \* \* \* Recreational Trails \* \* \*

12           Sec. 10. FINDINGS

13           The General Assembly finds that:

14                   (1) Organizations that build and maintain recreational trails are required  
15           to receive multiple permits, including for impacts to wetlands, stream  
16           crossings, soil erosion, threatened and endangered species, and sensitive  
17           wildlife habitats.

18                   (2) These organizations that build and maintain recreational trails are  
19           important to the Vermont economy and should not be required to undergo  
20           overly burdensome permit processes.

1 Sec. 11. 10 V.S.A. § 442 is amended to read:

2 § 442. DEFINITIONS

3 \* \* \*

4 (3) “Trails” means land used for hiking, walking, bicycling, cross-  
5 country skiing, snowmobiling, all-terrain vehicle riding, horseback riding, and  
6 other similar activities. “Trails” includes all infrastructure incidental to the  
7 operation of the trail, including restrooms, parking areas, shelters, picnic areas,  
8 kiosks, and interpretive and directional signage. “Trails” does not include any  
9 trail accessed primarily by a mechanical lift. Trails may be used for recreation,  
10 transportation, and other compatible purposes, but the primary purpose shall  
11 not be the operation of a motor vehicle. As used in this subdivision (3), “motor  
12 vehicle” does not include all-terrain vehicles or snowmobiles.

13 \* \* \*

14 Sec. 12. 10 V.S.A. § 6001 is amended to read:

15 § 6001. DEFINITIONS

16 \* \* \*

17 (45) “Recreational trail” or “trail” has the same meaning as “trails” in  
18 subdivision 442(3) of this title.

19 (46) “Vermont Trail System trail” means a recreational trail recognized  
20 by the Agency of Natural Resources pursuant to section 443 of this title. The

1 construction, operation, and maintenance of a Vermont Trail System trail shall  
2 be for a municipal or State purpose under this chapter.

3 Sec. 13. 10 V.S.A. § 6094 is added to read:

4 § 6094. JURISDICTION OVER RECREATIONAL TRAILS

5 (a) Vermont Trail System trails.

6 (1) Jurisdiction over recreational trails that have been accepted into the  
7 Vermont Trail System pursuant to chapter 20 of this title shall be determined  
8 using subdivision 6001(3)(A)(iv) of this title.

9 (2) For purposes of this subsection, “involved land” means those  
10 portions of any tract or tracts of land to be physically altered and upon which  
11 construction of improvements for a Vermont Trail System trail will occur,  
12 including land that is incidental to the use. “Land that is incidental to the use”  
13 includes lawns, parking lots, driveways, leach fields, restrooms, parking areas,  
14 shelters, picnic areas, kiosks, interpretive and directional signage, and  
15 accessory buildings, bearing some relationship to the land that is actually used  
16 in the construction of improvements, such that there is a demonstrable  
17 likelihood that the impact on the values sought to be protected by Act 250 will  
18 be substantially affected by reason of that relationship.

19 (b) Other trails.

20 (1) Jurisdiction over recreational trails that have not been accepted into  
21 the Vermont Trail System pursuant to chapter 20 of this title shall be

1 determined using subdivision 6001(3)(A)(i), (ii), or (iii) of this title, as  
2 applicable.

3 (2) For purposes of this subsection, “involved land” means the entire  
4 tract or tracts of land, within a radius of five miles, upon which the  
5 construction of improvements for the trail will occur, and any other tract,  
6 within a radius of five miles, to be used as part of the project or where there is  
7 a relationship to the tract or tracts upon which the construction of  
8 improvements will occur such that there is a demonstrable likelihood that the  
9 impact on the values sought to be protected by Act 250 will be substantially  
10 affected by reason of that relationship.

11 (c) Jurisdiction over a recreational trail shall extend only to the recreational  
12 trail and infrastructure that is necessary for the operation of the trail.  
13 Jurisdiction shall not extend to the rest of a parcel or parcels where a  
14 recreational trail is located.

15 (d) No permit amendment shall be required for recreational trails that  
16 connect to existing trails unless the new trail would trigger jurisdiction on its  
17 own pursuant to either subsection (a) or (b) of this section.

18 (e) In the event the trail is to be completed in stages according to a plan, or  
19 is part of a larger undertaking, only the size of individual segments shall be  
20 included for the purpose of determining jurisdiction.



1       (f) When jurisdiction over a trail has been established pursuant to either  
2       subsection (a) or (b) of this section, jurisdiction shall extend only to the trail  
3       corridor and to any area directly or indirectly impacted by the construction,  
4       operation, or maintenance of the trail corridor. The width of the corridor shall  
5       be determined by the District Commission.

6       (g) An application for construction of a recreational trail shall be made by  
7       the person responsible for the construction. A landowner with a trail on their  
8       property shall not be responsible for the trail unless the landowner is the permit  
9       holder for the trail.

10       (h) No permit or permit amendment shall be required for the construction  
11       of improvements on a tract of land that would provide access across a  
12       recreational trail, provided that the access is not related to the use of the  
13       permitted recreational trail and would not establish jurisdiction under this  
14       chapter on its own.

15       (i) No jurisdictional opinion may be requested pursuant to section 6007 of  
16       this title for an existing recreational trail that is part of the Vermont Trail  
17       System.

18                               \* \* \* Duration of Act 250 Permits \* \* \*

19       Sec. 14. 10 V.S.A. § 6090 is amended to read:

20       § 6090. RECORDING; DURATION AND REVOCATION OF PERMITS

21                               \* \* \*

1           (b)(1) Any permit granted under this chapter ~~for extraction of mineral~~  
2 ~~resources, operation of solid waste disposal facilities, or logging above 2,500~~  
3 ~~feet shall be for a specified period determined by the Board in accordance with~~  
4 ~~the rules adopted under this chapter as a reasonable projection of the time~~  
5 ~~during which the land will remain suitable for use if developed or subdivided~~  
6 ~~as contemplated in the application and with due regard for the economic~~  
7 ~~considerations attending the proposed development or subdivision. Other~~  
8 ~~permits issued under this chapter shall be for an indefinite term, as long as~~  
9 ~~there is compliance with the conditions of the permit.~~

10           (2) ~~Expiration dates contained in permits issued before July 1, 1994~~  
11 ~~(involving developments that are not for extraction of mineral resources,~~  
12 ~~operation of solid waste disposal facilities, or logging above 2,500 feet) are~~  
13 ~~extended for an indefinite term, as long as there is compliance with the~~  
14 ~~conditions of the permits shall be for a specified time period determined by the~~  
15 Board in accordance with the rules adopted under this chapter. Upon  
16 expiration of a permit, unless the permit is renewed, the development or  
17 subdivisions shall not be subject to the jurisdiction of this chapter unless there  
18 is new construction of improvements for a development or subdivision.

19                           \* \* \* Act 250 Master Plan Permits \* \* \*

20           Sec. 15. 10 V.S.A. § 6086c is added to read:

21           § 6086c. MUNICIPAL MASTER PLAN PERMITS

1       A municipality that does not have a center designated pursuant to 24 V.S.A.  
2       chapter 76A may apply to the District Commission for a master plan permit for  
3       any portion of the municipality pursuant to the rules of the Board.  
4       Municipalities making an application under this section are not required to  
5       exercise ownership of or control over the affected property. In approving a  
6       master plan permit, the District Commission may include specific conditions  
7       that an applicant for an individual project permit in that designated area shall  
8       be required to meet. The municipality may receive assistance from the  
9       regional planning commission or private consultants while preparing the  
10       application.

11                   \* \* \* Accessory On-farm Businesses \* \* \*

12       Sec. 16. 10 V.S.A. § 6001(3)(D) is amended to read:

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

14                                   \* \* \*

15               (ix) The construction of improvements for an accessory on-farm  
16       business located on a tract of land primarily devoted to farming, provided that:

17                   (I) the proposed improvements are for an accessory on-farm  
18       business as defined by 24 V.S.A. § 4412(11);

19                   (II) the farming operation is subject to the Required  
20       Agricultural Practices; and

1                   (III) the total area of improvements associated with the  
2                   accessory on-farm business does not exceed one acre.

3                   \* \* \*

4                   Sec. 17. 24 V.S.A. § 4428 is added to read:

5                   § 4428. ACCESSORY ON-FARM BUSINESSES

6                   (a) Prohibition. No regional plan, municipal plan, or municipal bylaw shall  
7                   have the effect of prohibiting an accessory on-farm business at the same  
8                   location as a farm.

9                   (b) Definitions. As used in this section:

10                   (1) “Accessory on-farm business” means activity that:

11                   (A) is located on a farm and is connected to the farming operation;

12                   and

13                   (B) comprises one or both of the following:

14                   (i) The storage, preparation, processing, and sale of qualifying  
15                   products, provided that more than 50 percent of the total annual sales are from  
16                   qualifying products that are produced on the farm at which the business is  
17                   located.

18                   (ii) Educational, recreational, or social events that feature  
19                   agricultural practices or qualifying products, or both. Such events may include  
20                   tours of the farm, farm stays, tastings and meals featuring qualifying products,  
21                   and classes or exhibits in the preparation, processing, or harvesting of

1 qualifying products. As used in this subdivision (B), “farm stay” means a paid  
2 overnight guest accommodation on a farm for the purpose of participating in  
3 educational, recreational, or social activities on the farm that feature  
4 agricultural practices or qualifying products, or both. A farm stay includes the  
5 option for guests to participate in such activities.

6 (2) “Farm” means a parcel or parcels owned, leased, or managed by a  
7 person, devoted primarily to farming, and subject to the RAP rules. For leased  
8 lands to be part of a farm, the lessee must exercise control over the lands to the  
9 extent they would be considered as part of the lessee’s own farm. Indicators of  
10 such control include whether the lessee makes day-to-day decisions concerning  
11 the cultivation or other farming-related use of the leased lands and whether the  
12 lessee manages the land for farming during the lease period.

13 (3) “Farming” has the same meaning as in 10 V.S.A. § 6001, except that  
14 when calculating whether an agricultural product was principally produced on  
15 the farm, water shall not be included in the calculation as an ingredient.

16 (4) “Qualifying product” means a product that is wholly:

17 (A) an agricultural, horticultural, viticultural, or dairy commodity or  
18 maple syrup;

19 (B) livestock or cultured fish or a product thereof;

20 (C) a product of poultry, bees, an orchard, or fiber crops;

21 (D) a commodity otherwise grown or raised on a farm; or

1           (E) a product manufactured on one or more farms from commodities  
2           wholly grown or raised on one or more farms.

3           (5) “RAP rules” means the rules on Required Agricultural Practices  
4           adopted pursuant to 6 V.S.A. chapter 215, subchapter 2.

5           (c) Eligibility. For an accessory on-farm business to be eligible for the  
6           benefit of this section, the business shall comply with each of the following:

7           (1) The business is operated by the farm owner, one or more persons  
8           residing on the farm parcel, or the lessee of a portion of the farm.

9           (2) The farm meets the threshold criteria for the applicability of the RAP  
10           rules as set forth in those rules.

11           (3) Gross sales by the business may exceed those of the farm but shall  
12           not exceed \$200,000.00 annually.

13           (d) Use of structures or land. An accessory on-farm business may take  
14           place inside existing structures, on the land, or inside a new structure that shall  
15           not exceed 4,000 square feet.

16           (e) Review; permit. Activities of an accessory on-farm business that are  
17           not exempt under section 4413 of this title may be subject to site plan review  
18           pursuant to section 4416 of this title. A bylaw may require that such activities  
19           meet the same performance standards otherwise adopted in the bylaw for  
20           similar commercial uses pursuant to subdivision 4414(5) of this title.

1       (f) Less restrictive. A municipality may adopt a bylaw concerning  
2       accessory on-farm businesses that is less restrictive than the requirement of this  
3       section.

4       (g) Notification; training. The Secretary of Agriculture, Food and Markets  
5       shall provide periodic written notification and training sessions to farms  
6       subject to the RAP rules on the existence and requirements of this section and  
7       the potential need for other permits for an accessory on-farm business,  
8       including a potable water and wastewater system permit under 10 V.S.A.  
9       chapter 64.

10                               \* \* \* Affordable Housing in Centers \* \* \*

11       Sec. 18. 10 V.S.A. § 6001 (3)(A)(iv) is amended to read:

12                       (iv) The construction of housing projects such as cooperatives,  
13       condominiums, or dwellings, or construction or maintenance of mobile homes  
14       or mobile home parks, with 10 or more units, constructed or maintained on a  
15       tract or tracts of land, owned or controlled by a person, within a radius of five  
16       miles of any point on any involved land and within any continuous period of  
17       five years. However:

18                       (I) A priority housing project shall constitute a development  
19       under this subdivision (iv) only if the number of housing units in the project is:

20                       (aa) [Repealed.]

21                       (bb) [Repealed.]

1                   (cc) 75 or more, in a municipality with a population of 6,000  
2 or more but less than 10,000.

3                   (dd) 50 or more, in a municipality with a population of  
4 3,000 or more but less than 6,000.

5                   (ee) 25 or more, in a municipality with a population of less  
6 than 3,000.

7                   (ff) Notwithstanding subdivisions (cc) through (ee) of this  
8 subdivision (3)(A)(iv)(I), 10 or more if the construction involves the  
9 demolition of one or more buildings that are listed on or eligible to be listed on  
10 the State or National Register of Historic Places. However, demolition shall  
11 not be considered to create jurisdiction under this subdivision (ff) if the  
12 Division for Historic Preservation has determined that the proposed demolition  
13 will have no adverse effect, will have no adverse effect if specified conditions  
14 are met, or will have an adverse effect that will be adequately mitigated. Any  
15 imposed conditions shall be enforceable through a grant condition, deed  
16 covenant, or other legally binding document.

17                   (II) The determination of jurisdiction over a priority housing  
18 project shall count only the housing units included in that discrete project.

19                   (III) Housing units in a priority housing project shall not count  
20 toward determining jurisdiction over any other project.



1                   (IV) For the construction of affordable housing such as  
2                   cooperatives, condominiums, or dwellings, or construction or maintenance of  
3                   mobile homes or mobile home parks located entirely within a designated  
4                   downtown, village center, or neighborhood development area designated  
5                   pursuant to 24 V.S.A. chapter 76A, development means 10 or more units,  
6                   constructed or maintained on a tract or tracts of land, owned or controlled by a  
7                   person.

8                   \* \* \* Primary Agricultural Soil Mitigation \* \* \*

9                   Sec. 19. 10 V.S.A. § 6093 is amended to read:

10                   § 6093. MITIGATION OF PRIMARY AGRICULTURAL SOILS

11                   (a) Mitigation for loss of primary agricultural soils. Suitable mitigation for  
12                   the conversion of primary agricultural soils necessary to satisfy subdivision  
13                   6086(a)(9)(B)(iv) of this title shall depend on where the project tract is located.

14   \* \* \*

15                   (iii) For an alternative or community wastewater system that will  
16                   serve a housing development within a designated center, no mitigation shall be  
17                   required.

18   \* \* \*

19                   \* \* \* Transportation of Forest Products \* \* \*

1 Sec. 20. 23 V.S.A. § 1392 is amended to read:

2 § 1392. GROSS WEIGHT LIMITS ON HIGHWAYS

3 Except as provided in section 1400 of this title, a person or corporation shall  
4 not operate or cause to be operated a motor vehicle in excess of the total  
5 weight, including vehicle, object, or contrivance and load, of:

6 \* \* \*

7 (12) Notwithstanding the gross vehicle weight provisions of subdivision  
8 (4) of this section, a truck trailer combination or truck tractor, semi-trailer  
9 combination transporting cargo of legal dimensions that can be separated into  
10 units of legal weight without affecting the physical integrity of the load shall  
11 be allowed to bear a maximum of 107,000 pounds on six axles or 117,000  
12 pounds on seven axles by special annual permit, which shall expire with the  
13 vehicle's registration, except for vehicles not registered in Vermont in which  
14 case the permit shall become void on January 1 following the date of issue, for  
15 operating on State and class 1 town highways, subject to the following:

16 (A) The combination of vehicles must have, as a minimum, a  
17 distance of 51 feet between extreme axles.

18 (B) The axle weight provisions of section 1391 of this title and the  
19 axle weight provisions of subdivisions (6)(A)–(D) of this section shall also  
20 apply to vehicles permitted under this subdivision (12).

1           (C) When determining the fine for a gross overweight violation of  
2           this subdivision (12), the fine for any portion of the first 10,000 pounds over  
3           the permitted weight shall be the same as provided in section 1391a of this  
4           title, and for overweight violations 10,001 pounds or more over the permitted  
5           weight, the fine schedule provided in section 1391a shall be doubled.

6           (D) The weight permitted by this subdivision (12) shall be allowed  
7           for foreign trucks that are registered or permitted for 107,000 or 117,000  
8           pounds in a state or province that recognizes Vermont vehicles for weights  
9           consistent with this subdivision (12).

10           (E) Unless authorized by federal law, the provisions of this  
11           subdivision (12) shall not apply to operation on the Dwight D. Eisenhower  
12           National System of Interstate and Defense Highways.

13           (F) The fee for the annual permit as provided in subdivision (12) of  
14           this section shall be \$465.00 for vehicles bearing up to 107,000 pounds and  
15           \$610.00 for vehicles bearing up to 117,000 pounds.

16           (G) The truck trailer combination or truck tractor, semi-trailer  
17           combination shall obtain an annual safety inspection by the Vermont  
18           Department of Motor Vehicles prior to receiving or renewing the special  
19           annual permit.

1           (H) Operators found to be in violation of the terms of the special  
2           annual permit three times in one year shall have the permit revoked and shall  
3           not be granted a new special annual permit for one year.

4   \* \* \*

5           (17) Notwithstanding the gross vehicle weight provisions of subdivision  
6           (4) of this section, a truck trailer combination or truck tractor, semi-trailer  
7           combination with six or more load-bearing axles shall be allowed to bear a  
8           maximum of 99,000 pounds by special annual permit, which shall expire with  
9           the vehicle's registration, except for vehicles not registered in Vermont in  
10          which case the permit shall become void on January 1 following the date of  
11          issue, for operating on designated routes on State and town highways, subject  
12          to the following:

13                   (A) The combination of vehicles must have, as a minimum, a  
14                   distance of 51 feet between extreme axles.

15                   (B) The axle weight provisions of section 1391 of this title and  
16          ~~subdivision~~ the axle weight provisions of subdivisions 1392(6)(A)-(D) of this  
17          section shall also apply to vehicles permitted under this subdivision (17).

18                   (C) When determining the fine for a gross overweight violation of  
19          this subdivision (17), the fine for any portion of the first 10,000 pounds over  
20          the permitted weight shall be the same as provided in section 1391a of this

1 title, and for overweight violations 10,001 pounds or more over the permitted  
2 weight, the fine schedule provided in section 1391a shall be doubled.

3 (D) The weight permitted by this subdivision (17) shall be allowed  
4 for foreign trucks that are registered or permitted for 99,000 pounds in a state  
5 or province that recognizes Vermont vehicles for weights consistent with this  
6 subdivision (17).

7 (E) Unless authorized by federal law, the provisions of this  
8 subdivision (17) shall not apply to operation on the Dwight D. Eisenhower  
9 National System of Interstate and Defense Highways.

10 (F) The fee for the annual permit as provided in this subdivision (17)  
11 shall be \$415.00 for vehicles bearing up to 90,000 pounds and \$560.00 for  
12 vehicles bearing up to 99,000 pounds.

13 \* \* \*

14 (19)(A) A person issued a permit under the provisions of subdivision  
15 (12), (13), (14), (16), or (17) of this section, and upon payment of a \$10.00  
16 administrative fee for each additional permit, may obtain additional permits for  
17 the same vehicle, provided the additional permit is for a lesser weight and  
18 provided the vehicle or combination of vehicles meets the minimum  
19 requirements for the permit sought as set forth in this section.

20 \* \* \*

1       Sec. 21. OUTREACH BY THE DEPARTMENT OF FORESTS, PARKS  
2                   AND RECREATION

3           On or before January 1, 2023, the Commissioner of Forests, Parks and  
4       Recreation, in consultation with the Commissioner of Motor Vehicles, shall  
5       provide extensive outreach to purchasers of forest products in the region to  
6       communicate to suppliers that vehicles found in violation of the special annual  
7       permit authorized under 23 V.S.A. § 1392(12), as added by Sec. 20 of this act,  
8       shall not be allowed to operate on State highways and class 1 town highways  
9       to ensure that vehicles are not loaded beyond 107,000 pounds and 117,000  
10       pounds, respectively. Follow-up outreach by the Commissioner of Forests,  
11       Parks and Recreation shall continue on an ongoing basis.

12       Sec. 22. DEPARTMENT OF MOTOR VEHICLES PERMIT PORTAL

13           The centralized online permitting system that the Commissioner of Motor  
14       Vehicles was authorized to initiate the design and development of pursuant to  
15       2021 Acts and Resolves No. 149, Sec. 26(a) shall be operational, including  
16       providing access to municipally issued weight and length permits, not later  
17       than January 1, 2023.

18                   \* \* \* Municipal Fuel Switching Program \* \* \*

19       Sec. 23. MUNICIPAL FUEL SWITCHING GRANT PROGRAM

20           (a) Program established. In fiscal year 2023, there is established the  
21       Municipal Fuel Switching Grant Program to award grants for renewable and

1 efficient heating systems in municipalities. Municipal Fuel Switching grants  
2 shall be used to make necessary improvements to conduct an audit and replace  
3 heating systems in covered municipal buildings with renewable energy  
4 systems.

5 (b) Definition. As used in this section, “covered municipality” means a  
6 city, town, fire district or incorporated village, and all other governmental  
7 incorporated units.

8 (c) Administration; implementation.

9 (1) Efficiency Vermont, in coordination with the Department of  
10 Buildings and General Services through the State Energy Management  
11 Program, shall administer the Program, which shall:

12 (A) coordinate and provide consulting services to regional planning  
13 commissions, which shall solicit and develop plans for each covered  
14 municipality; and

15 (B) award grants for the following:

16 (i) not more than \$50,000.00 to each covered municipality to  
17 conduct municipal thermal energy audits to determine the most cost-effective  
18 renewable energy system replacement or primary heating source;

19 (ii) not more than \$200,000.00 to each covered municipality for  
20 approved projects to replace fossil fuel heating systems with more efficient  
21 renewable energy heating systems in covered municipalities; and

1                   (iii) not more than \$4,000.00 to each covered municipality to  
2 facilitate community meetings and communication about municipal resilience  
3 and fuel switching.

4                   (2) Grant program design. Efficiency Vermont, in consultation with the  
5 Department of Buildings and General Services; the Vermont League of Cities  
6 and Towns; regional planning commissions; and experts in the field of thermal  
7 enclosure, energy efficiency, and renewable building space systems, shall  
8 design the Program. The Program design shall establish:

9                   (A) an outreach and education plan, including specific tactics to  
10 reach and support each covered municipality;

11                   (B) an equitable system for distributing grants statewide, with  
12 priority to municipalities in the highest energy burden communities;

13                   (C) guidelines for renewable and energy efficiency buildings systems  
14 resilience, durability, health, and efficiency measures and costs that will be  
15 eligible for grant funding; and

16                   (D) eligibility criteria for covered municipalities, including written  
17 commitment by the municipality to conduct community workshops and a self-  
18 assessment.

19                   (d) Costs and fees.

20                   (1) Efficiency Vermont is authorized to use up to \$150,000.00 of any  
21 amounts appropriated to the Program for direct labor costs.



1           (2) As the entity appointed to serve as Efficiency Vermont, the Vermont  
2           Energy Investment Corp. (VEIC) is also authorized to collect their federal  
3           approved indirect rate of 9.3 percent on the funds expended in this section.

4           (3) Nothing shall prohibit Efficiency Vermont from supplementing total  
5           project costs completed under this section with a portion of its Public Utility  
6           Commission-approved budget for the purpose of achieving higher levels of  
7           efficiency and claiming efficiency savings toward the completion of  
8           performance targets pursuant to 30 V.S.A. § 209(d).

9           (e) Coordination. Efficiency Vermont shall coordinate with any other State  
10          entities and agencies working with covered municipalities to provide grants for  
11          the Program.

12          (f) Funding. The Program shall be funded by general funds and shall have  
13          use of the credit facility extended to the State Resource Management  
14          Revolving Fund established in 29 V.S.A. § 168(b).

15          Sec. 24. MUNICIPAL FUEL SWITCHING PROGRAM; APPROPRIATION

16          In fiscal year 2023, the amount of \$48,000,000.00 in general funds shall be  
17          appropriated to the Municipal Fuel Switching Program for use as follows:

18               (1) the amount of \$2,000,000.00 shall be appropriated to the Agency of  
19               Commerce and Community Development for regional planning commissions  
20               to provide programming and technical assistance to covered municipalities.

- 1           (2) the amount of \$46,000,000.00 shall be appropriated to the  
2           Department of Buildings and General Services to be used as follows:  
3                 (A) \$5,000,000.00 for conducting municipal thermal energy audits;  
4                 (B) \$1,000,000.00 for grants to covered municipalities to facilitate  
5           community meetings and communication about municipal resilience and fuel  
6           switching; and  
7                 (C) \$40,000,000.00 for grants to covered municipalities to replace  
8           heating systems with more efficient renewable energy heating systems.

9                                 \* \* \* State Energy Management Program \* \* \*

10           Sec. 25. 29 V.S.A. § 168 is amended to read:

11           § 168. STATE ENERGY MANAGEMENT PROGRAM; REVOLVING  
12                                 FUNDS

13                 (a) State Energy Management Program.

14   \* \* \*

15                 (c) Energy Revolving Fund.

16                         (1) There is established ~~an~~ the Energy Revolving Fund to finance energy  
17           efficiency improvements and the use of renewable resources in State and  
18           municipal buildings and facilities anticipated to generate a cost-savings to the  
19           State. State and municipal agencies and departments shall have access to the  
20           Energy Revolving Fund on a priority basis established by the Commissioner  
21           and the State Treasurer.

1           (2) The Fund shall consist of:

2           (A) monies appropriated to the Fund or ~~which~~ that are paid to it  
3 under authorization of the Emergency Board;

4           (B) monies saved by the implementation of energy efficiency  
5 improvements and the use of renewable resources;

6           (C) any funds available through a credit facility maintained by the  
7 State Treasurer in accordance with subsection (d) of this section; and

8           (D) fees for administrative costs paid by departments and agencies,  
9 which shall be fixed by the Commissioner subject to the approval of the  
10 Secretary of Administration.

11           (3) Monies from the Fund shall be expended by the Commissioner for  
12 measures anticipated to generate a cost-savings to the State and to a  
13 municipality and costs involved with the administration of the State agency  
14 energy plan as determined by the Commissioner.

15           (4) The Commissioner and the State Treasurer shall establish criteria to  
16 determine eligibility for funding of energy efficiency improvements and the  
17 use of renewable resources, including returns of investment on terms  
18 acceptable to the State Treasurer.

19           (5) Agencies ~~and~~ departments, and municipalities receiving funding  
20 shall repay the Fund through their regular operating budget according to a

1 schedule established by the Commissioner. Repayment shall include charges  
2 of fees for administrative costs over the term of the repayment.

3 (6) The Commissioner of Finance and Management may anticipate  
4 receipts to this Fund and issue warrants based thereon.

5 (7) The Commissioner of Buildings and General Services shall maintain  
6 accurate and complete records of all receipts by and expenditures from the  
7 Fund.

8 (8) All balances remaining at the end of a fiscal year shall be carried  
9 over to the following year; provided, however, that any amounts received in  
10 repayment of the credit facility established under subsection (d) of this section  
11 may be reinvested by the State Treasurer.

12 (d) Notwithstanding any other provision of law to the contrary, the State  
13 Treasurer, working in collaboration with the Department of Buildings and  
14 General Services, shall have the authority to establish a credit facility of up to  
15 \$8,000,000.00, on terms acceptable to the State Treasurer. The credit facility  
16 shall be used for the purpose of financing energy efficiency improvements and  
17 the use of renewable resources anticipated to generate a cost-savings to the  
18 State.

19 (e) As used in this section:

20 (1) "Energy efficiency improvement" means a set of measures aimed at  
21 reducing the energy used by specific end-use devices and systems to provide

1 light, heat, cooling, or other services without affecting the level of service  
2 provided. An energy efficiency project may also include energy conservation  
3 measures; that is, a reduction in energy consumption that corresponds with a  
4 reduction in service demand.

5 (2) “Renewables” has the same meaning as under 30 V.S.A. § 8002.

6 (3) “Resource conservation measures” means a set of measures,  
7 including a study, product, process, or technology, aimed at reducing overall  
8 use or consumption of energy resources in State buildings or facilities.

9 “Resource conservation measures” includes energy efficiency improvements.

10 (f) Beginning on or before January 15, 2015 and annually thereafter, the  
11 Department of Buildings and General Services shall report to the House  
12 Committee on Corrections and Institutions on the expenditure of funds from  
13 the State Resource Management Revolving Fund for resource conservation  
14 measures and the Energy Revolving Fund for energy efficiency improvements  
15 and the use of renewable resources. For each fiscal year, the report shall  
16 include a summary of each project receiving funding and the State’s expected  
17 savings and the expected savings by a municipality. The provisions of  
18 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to  
19 be made under this subsection.

1       Sec. 26. DEPARTMENT OF BUILDINGS AND GENERAL SERVICES;  
2                 STATE ENERGY RESOURCE FUND; REGIONAL PLANNING  
3                 COMMISSIONS; POSITIONS

4                 (a) Department of Buildings and General Services. Two full-time,  
5                 temporary positions are created in the Department of Buildings and General  
6                 Services in fiscal years 2023 and 2024 to determine project eligibility;  
7                 coordinate with regional planning commissions to recruit and coordinate  
8                 auditors, engineers, and contractors, and to provide financing technical  
9                 assistance for municipalities implementing projects using the State Resource  
10                Management Revolving Fund pursuant to 29 V.S.A. § 168(b). These positions  
11                shall be funded by Efficiency Vermont. No additional budget appropriation or  
12                State funds shall be used for these positions.

13                (b) Regional planning commissions. The amount of \$2,000,000.00 in  
14                general funds shall be appropriated to the Agency of Commerce and  
15                Community Development's Community Development Program to create one  
16                position at each regional planning commission in fiscal years 2023 and 2024 to  
17                solicit, coordinate, and develop projects for covered municipalities through the  
18                Municipal Fuel Switching Program.

19                                 \* \* \* Effective Dates \* \* \*

20       Sec. 27. EFFECTIVE DATES

21                (a) This section and Secs. 5–19 and 21–22 shall take effect on passage.

- 1        (b) Secs. 1–4 (Forest Economy Investment) and 23–26 (Municipal Fuel
- 2        Switching Program) shall take effect on July 1, 2022.
- 3        (c) Sec. 20 (23 V.S.A. § 1392) shall take effect on January 1, 2023.