

1 S.14

2 Introduced by Senator Sirotkin

3 Referred to Committee on Economic Development, Housing and General
4 Affairs

5 Date: January 12, 2021

6 Subject: Property; deed restrictions; municipal bylaws

7 Statement of purpose of bill as introduced: This bill proposes to invalidate
8 new binding agreements that would prohibit the construction of accessory
9 dwelling units or the development of small lots able to connect to municipal
10 water and sewer service.

11 An act relating to deed restrictions and housing density

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

13 Sec. 1. 27 V.S.A. § 545 is amended to read:

14 § 545. COVENANTS, CONDITIONS, AND RESTRICTIONS OF

15 SUBSTANTIAL PUBLIC INTEREST

16 Deed restrictions, covenants, or similar binding agreements added after
17 ~~January~~ March 1, 2021 that prohibit or have the effect of prohibiting land
18 development allowed under a municipality's bylaws 24 V.S.A. § 4412(1)(E)
19 and (2)(A) shall not be valid. This section shall not affect the enforceability of
20 any property interest held in whole or in part by a qualified organization or

1 State agency as defined in 10 V.S.A. § 6301a, including any restrictive
2 easements, such as conservation easements and historic preservation rights and
3 interests defined in 10 V.S.A. § 822. This section shall not affect the
4 enforceability of any property interest that is restricted by a housing subsidy
5 covenant as defined by section 610 of this title and held in whole or in part by
6 an eligible applicant as defined in 10 V.S.A. § 303(4) or the Vermont Housing
7 Finance Agency.

8 Sec. 2. EFFECTIVE DATE

9 Notwithstanding 1 V.S.A. § 214, this act shall take effect retroactively on
10 January 1, 2021.