

Theresa Utton-Jerman

Subject: FW: Governor's Proposal for Investing ARPA Funds
Attachments: image001.png; Governor's ARPA Investment Plan Bill.pdf

From: "Murphy, Ariel" <Ariel.Murphy@vermont.gov>

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To: Jill Krowinski <JKrowinski@leg.state.vt.us>, Becca Balint <bbalint@leg.state.vt.us>

Subject: Governor's Proposal for Investing ARPA Funds

Good afternoon Madam Pro Tem and Madam Speaker:

On behalf of Commissioner Greshin, please find attached a document containing the Governor's proposal for investing ARPA funds. The Governor and his team look forward to working with the Legislature to put these funds to work for Vermonters.

Best,
Ariel Murphy

Ariel Murphy | she/her
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AN ACT RELATED TO AMERICAN RESCUE PLAN INVESTMENTS

Sec. 1 INTENT

(a) The American Rescue Plan Act (ARPA) was enacted on March 11, 2021 and includes a \$1.03 billion grant of flexible aid for Vermont to be spent over the next four years. With these funds, the General Assembly recognizes we have an unprecedented opportunity to strengthen our economy and communities.

(b) Communities across Vermont have been planning for their future. They have tangible plans and shovel-ready projects designed to boost the local economy, help residents thrive, attract new families to the area, and combat the effects of climate change. Now is the time to provide resources to help make these visions a reality through investments in water and sewer infrastructure, broadband deployment, climate change mitigation, housing, and economic development.

(c) These investments will provide opportunities for workforce expansion, growth in all 14 counties, a healthier climate, and ultimately a more affordable and competitive state. The intent of this bill is to enable foundational and transformative change.

Sec. 2 VERMONT'S FUTURE – RESERVATION AND ALLOCATION OF AMERICAN RESCUE PLAN ACT – CORONAVIRUS STATE FISCAL RECOVERY FUNDS:

To build more resilient communities in every corner of the state, and to support the foundation of a thriving, statewide economic resurgence, the following reservations and allocations are made from the American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund. These allocations shall guide appropriation of these funds in fiscal years 22 through 25.

(a) \$143,000,000 for economic development, to assist small business, reemploy Vermonters, recruit new Vermonters, and reinvest in communities. This allocation will be distributed as follows:

(1) \$90,000,000 over fiscal years 2022 through 2024 for a newly created ‘Capital Investments Grants Program’ to provide capital funding to businesses, communities, and

outdoor recreation destinations. This capital investment program will be used to fund priority capital projects across the state as identified through a competitive grant process and supported by the Regional Development Corporations and/or Regional Planning Commissions. It will provide awards and funding for capital investments in outdoor recreation as well as investments in recreational assets on public and private lands.

(2) \$50,000,000 in fiscal year 2022 to fund the Economic Recovery Bridge Grants program pursuant to this act.

(3) \$3,000,000 over fiscal years 2022 through 2024 to support the Agency of Natural Resources, the Department of Public Safety, and the Natural Resources Board in prioritizing ARPA-funded projects that require execution within a shortened federal timeline. Projects will be prioritized for downtowns, village centers, new town centers, neighborhood designated areas, and existing industrial parks.

(b) \$200,000,000 for infrastructure programs, incentives, and other activities, which will reduce total greenhouse gas emissions in Vermont, help the state meet its carbon emissions goals, invest in hazard mitigation activities, and help to address human-caused climate change. This allocation will be distributed as follows:

(1) \$25,000,000 over fiscal years 2022 through 2024 for electric vehicle infrastructure. These monies shall be used to deploy a mix of Level 2 and Level 3 charging stations in strategic locations including, but not limited to, state facilities, state highway corridors, employment locations, downtowns, village centers, multi-unit housing developments, and other active areas.

(2) \$21,000,000 over fiscal years 2022 through 2024 for weatherization initiatives to improve the energy efficiency of residential, institutional, and commercial buildings. This initiative offers significant non-energy related benefits to the health and comfort of building occupants.

(3) \$29,000,000 over fiscal years 2022 through 2024 for electrification incentives to support investment in grid optimizing electrification, the purchase of electric equipment to replace fossil fuel-based heating systems, storage, and tools for managing electricity load.

(4) \$25,000,000 over fiscal years 2022 through 2024 for hazard-mitigation projects. These investments will improve overall landscape resilience and mitigate flood hazards exacerbated by climate change. A state level hazard mitigation program will allow work in areas that do not qualify for the FEMA buyout program and will focus on communities with the greatest economic need.

(5) \$100,000,000 is reserved to support the implementation of the Vermont Climate Action Plan.

(c) \$170,000,000 for clean water/sewer infrastructure projects including municipal wastewater upgrades, stormwater retrofit projects required by 10 V.S.A. chapter 47, dam safety improvements, home-based water system upgrades for qualifying Vermonters, and combined sewer overflow (CSO) abatement projects. This allocation will be distributed as follows:

(1) \$75,000,000 over fiscal years 2022 through 2024 to provide financial assistance to public and private owners of impervious surfaces for stormwater retrofits required by 10 V.S.A. chapter 47. These projects will improve the management of stormwater throughout Vermont and will primarily retrofit facilities built before modern stormwater treatment.

(2) \$35,000,000 over fiscal years 2022 through 2024 for drinking water and wastewater systems and specifically to support the engineering, design, and construction of up to 10 community-scale water and/or wastewater projects as well as fund a cost-sharing program with facilities to install or enhance pretreatment processes.

(3) \$30,000,000 over fiscal years 2022 through 2024 for combined sewer overflow abatement projects needed to reduce the frequency and duration of sewer overflow events.

(4) \$15,000,000 over fiscal years 2022 through 2024 to refurbish state-owned dams to address safety concerns, reduce the risk of potential dam failures, and increase community resilience.

(5) \$15,000,000 over fiscal years 2022 through 2024 to provide funding to improve home wastewater systems and water systems to protect the public health of Vermonters as part of housing rehabilitation projects, for failed on-site wastewater and water supply systems, and to

provide financial assistance or loan forgiveness to mobile home parks for water and wastewater systems.

(d) \$249,000,000 for addressing homelessness, housing insecurity, and expanding Vermont's low- and middle-income housing stock. This allocation will be distributed as follows:

(1) \$12,000,000 in fiscal year 2022 to increase shelter capacity to organizations which support homeless Vermonters. This allocation is designed for those populations who may be displaced from the hotel/motel voucher program. These funds will primarily be appropriated to the Vermont Housing and Conservation Board and distributed in consultation with the Secretary of the Agency of Human Services.

(2) \$90,000,000 in fiscal year 2022 for rapid housing support for homeless Vermonters. These funds will be appropriated to the Vermont Housing and Conservation Board and distributed in consultation with the Secretary of the Agency of Human Services.

(3) \$90,000,000 over fiscal years 2022 through 2024 for rehabilitating or constructing new affordable and mixed-income housing.

(4) \$15,000,000 over fiscal years 2022 through 2024 for the Vermont Housing Incentive Program (VHIP).

(5) \$42,000,000 over fiscal years 2022 through 2024 for the Vermont Home Builder Program.

(e) \$250,500,000 for broadband and connectivity initiatives. This allocation will be distributed as follows:

(1) \$225,000,000 over fiscal years 2022 through 2024 to the Public Service Department for targeted grants to Communications Union Districts (CUDs).

(2) \$500,000 in fiscal year 2022 to the Public Service Department to update equipment for the FiberConnect broadband internet service provided to 40 public libraries and their communities.

(3) \$25,000,000 over fiscal years 2022 through 2024 to the Public Service Department to implement recommendations made in the 10-year Telecommunications Plan due to be adopted by June 30, 2021.

(f) \$17,000,000 to the Agency of Administration, to be distributed by the Secretary of Administration over fiscal years 2022 to 2025 to various departments as needed to assist with the administrative associated with these initiatives.

**Sec. 3. FISCAL YEAR 2022 APPROPRIATIONS OF AMERICAN RESCUE PLAN
CORONAVIRUS STATE FISCAL RELIEF FUND:**

(a) ECONOMIC DEVELOPMENT

Targeted investments will assist small businesses, reemploy Vermonters, recruit new Vermonters, reinvest in communities, and accelerate recovery from the pandemic. This will allow the State to build a better, stronger foundation in the wake of COVID-19 by addressing acute economic needs with direct relief for businesses. This plan also makes long-term strategic investments that incentivize business growth and productivity through capital investment grants.

(1) CAPITAL INVESTMENTS GRANTS PROGRAM. \$30,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to provide funding for business, community, and outdoor recreation capital investments:

(A) \$500,000 to the Department of Tourism and Marketing to create grant opportunities to improve the user experience along the Lamoille Valley Rail Trail for activities including, but not limited to: trailside artwork, wayfinding and interpretive signs, community support and marketing.

(B) \$4,500,000 for investments to expand and improve recreational infrastructure and/or add public access to State lands and public waters to be allocated as follows:

(i) \$2,250,000 to the Department of Fish and Wildlife.

(ii) \$2,250,000 to the Department of Forests, Parks, and Recreation.

(C) \$3,000,000 to the Department of Economic Development to award Working Community Challenge grants.

(D) \$22,000,000 to the Department of Economic Development to fund priority capital projects across the state as identified by the Regional Development Corporations and/or Regional Planning Commissions.

(2) ECONOMIC RECOVERY BRIDGE GRANTS. \$50,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Department of Economic Development to provide economic recovery grants to businesses, including agriculture and food-related businesses, that have been unable to access financial assistance, and businesses in need of additional assistance.

(3) EXPEDITED PERMITTING. \$1,125,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to expedite Vermont's permitting processes for ARPA funded projects. This appropriation is divided as follows:

(A) \$375,000 to the Agency of Natural Resources to provide administrative support to prioritize and expedite permitting for American Rescue Plan Act funded projects.

(B) \$375,000 to the Natural Resources Board to provide administrative support to prioritize and expedite permitting for American Rescue Plan Act funded projects.

(C) \$375,000 to the Division of Fire Safety to provide administrative support to prioritize and expedite permitting for American Rescue Plan Act funded projects.

(b) CLIMATE CHANGE

Significant investments are needed to reduce Vermont's greenhouse gas emissions and enhance our resilience to a changing climate. These investments are intended to complement the work of the Vermont Climate Council to develop and adopt a Climate Action Plan by December 1, 2021.

(1) ELECTRIC VEHICLE INFRASTRUCTURE. \$5,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Agency of Commerce and Community Development, Department of Housing and Community Development for expansion of the state highway electric vehicle charging infrastructure.

(A) The Department may use these funds for grants for municipalities, businesses, or multi-unit housing developments for electric vehicle infrastructure, in coordination with the inter-agency Electric Vehicle Supply Equipment Working Group. It is anticipated that funding would deploy approximately 15 additional Level 3 stations at state facilities including within State Highway corridors and 100 additional Level 2 stations in other locations.

(2) WEATHERIZATION. \$5,500,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Department for Children and Families, Office of Economic Opportunity, Home Weatherization Assistance Program, to support investments in low-income weatherization. These funds shall not be subject to the requirements of 33 V.S.A. § 2502(b)(1) and can be used for vermiculite remediation, heating system replacement, home repair, related investments that support weatherization, and to support a home weatherization pilot to improve indoor air quality and provide other benefits to human health.

(3) ELECTRIFICATION INCENTIVES. \$8,500,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Department of Public Service to encourage optimization of the electric grid through grants and incentives for storage, electrification, and load management technologies and platforms to utilities, businesses, schools, municipalities, and consumers.

(4) HAZARD MITIGATION PROGRAM. \$5,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to mitigate flood hazards and support landscape resilience, as follows:

(A) \$4,880,000 to the Department of Public Safety, Division of Emergency Management to establish a statewide hazard mitigation program that includes but is not limited to funding hazard mitigation matching funds, a state-level buyout program for parcels ineligible for FEMA related programs, and project development and implementation for large scale climate change adaption projects.

(B) \$120,000 to the Department of Environmental Conservation to provide technical assistance to the statewide hazard mitigation program.

(c) WATER/SEWER INFRASTRUCTURE

Water infrastructure is the backbone of our lives and livelihoods yet the pace of investment in these assets has not kept pace with the need. This investment addresses current unmet needs and reduces future costs by investing in core infrastructure critical to both protecting the environment and spurring economic growth. Through technical assistance, grant awards and contracted projects, these funds will support investments in infrastructure assets essential to high quality water and vital to Vermont's economy and economic recovery.

(1) STORMWATER RETROFITS. \$10,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 for Stormwater Retrofit Projects as follows:

(A) \$5,500,000 to the Department of Environmental Conservation to provide 3-acre stormwater permitting design and construction support for entities subject to the Vermont 3-9050 Stormwater General Permit, and to provide design and construction for practices necessary to restore impaired waters subject to flow restoration plans.

(B) \$1,000,000 to the Department of Forests, Parks, and Recreation to support compliance with the 3-acre stormwater rule.

(C) \$3,500,000 to the Agency of Transportation for the implementation of 3-acre and flow restoration protection and clean water compliance expenditures for transportation infrastructure, and to fund the municipal grants in aid program to address stormwater runoff from municipal roads.

(2) MUNICIPAL AND VILLAGE WASTEWATER AND PRETREATMENT.

\$10,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Department of Environmental Conservation to support wastewater projects and pretreatment activities as follows:

(A) \$8,000,000 to support the design and construction of up to ten community-scale water and/or decentralized wastewater projects to support underserved designated centers.

(B) \$2,000,000 to provide financial assistance to municipalities, Vermont businesses and non-profit entities to install or enhance pretreatment processes to address high strength or toxic wastes that otherwise require treatment at municipal expense by publicly owned treatment facilities.

(3) COMBINED SEWER OVERFLOW ABATEMENT. \$10,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Department of Environmental Conservation to assist municipalities to design and construct projects to reduce or eliminate wet weather sewer overflows.

(4) DAM SAFETY: \$5,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Department of Environmental Conservation to reduce risk to public safety and the environment associated with state-owned dams.

(5) ENSURING HEALTHY HOMES FOR VULNERABLE VERMONTERS. \$5,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to make repairs or improvements to water and wastewater systems in Vermont homes to be allocated as follows:

(A) \$750,000 to the Department of Housing and Community Development to provide financial assistance or incentives for water system and water efficiency improvements as part of housing rehabilitation projects.

(B) \$4,250,000 to the Department of Environmental Conversation as follows:

(i) \$1,000,000 to increase the funds available for loan forgiveness to replace failed residential on-site wastewater and water supply systems.

(ii) \$3,250,000 to provide financial assistance or loan forgiveness to mobile home parks to improve drinking water, wastewater, stormwater, and drainage systems.

(d) HOUSING

As a result of the pandemic, two thousand Vermont households are still living in motels and homeless shelters, and middle-income families have been priced out of homeownership in Vermont. We must accelerate our commitment to develop mixed-income housing, create public-private partnerships to enhance homeownership opportunities, construct permanent housing for those experiencing homelessness, and expand necessary shelter capacity that will have lasting effects on the health of our communities and residents. These investments are critical to maintaining the physical and financial health of Vermont, reduce reliance on General Assistance Emergency Housing, and provide upward mobility for all.

(1) INCREASING HOMELESS SHELTER CAPACITY; FACILITATING TRANSITION AWAY FROM HOTEL/MOTEL VOUCHER PROGRAM. \$12,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 as follows:

(A) \$11,970,000 to the Vermont Housing and Conservation Board (VHCB) to provide grants to organizations throughout Vermont to increase shelter capacity. Funding decisions shall be made in consultation with the Secretary of the Agency of Human Services.

(B) \$30,000 to the Department for Children and Families to provide technical and administrative support to VHCB in the deployment of these funds.

(2) RAPID HOUSING SUPPORT FOR HOMELESS VERMONTERS; FACILITATING TRANSITION AWAY FROM HOTEL/MOTEL VOUCHER PROGRAM. \$90,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Vermont Housing and Conservation Board (VHCB) to implement a Rapid Housing for the Homeless Program to develop housing for homeless individuals, individuals exiting homelessness, and other at-risk individuals. VHCB may grant funds to partner organization(s) throughout Vermont to administer the program and sub-grant the funds to eligible projects. Funding decisions shall be made in consultation with the Secretary of the Agency of Human Services.

(3) EXPEDITING CONSTRUCTION AND REHABILITATION OF AFFORDABLE AND MIXED-INCOME HOUSING. \$20,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Department of Housing and Community Development to fund rehabilitation and/or construction of affordable and mixed-income housing. The Department may grant funds to partner organization(s) throughout Vermont to administer the program and sub-grant the funds to eligible projects.

(4) VERMONT HOUSING INVESTMENT PROGRAM; RENTAL UNITS. \$5,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Department of Housing and Community Development to fund the Vermont Housing Investment Program for revitalization of defunct rental units and construction of accessory dwelling units. The Department may grant funds to partner organization(s) throughout Vermont to administer the program and sub-grant the funds to eligible projects.

(5) VERMONT HOME BUILDER PROGRAM. \$2,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Department of Housing and Community Development (DHCD) to establish a Home Builder Program to build new housing stock. The Department may grant funds to partner organization(s) throughout Vermont to carry out the program and sub-grant the funds to eligible projects.

(e) CONNECTIVITY

Broadband internet access has proved to be essential during the COVID-19 pandemic, as it facilitates remote healthcare, education, and work, as well as citizen participation in civic life and communication with government. Vermont has 60,000 locations without broadband, defined as either unserved (no broadband service at all) or underserved (limited service). Most of these locations require public investment to bring fiber-to-the-home internet access.

(1) BROADBAND DEPLOYMENT GRANTS. \$80,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Public Service Department to fund grants to construct facilities to deliver access to universal broadband service in Vermont starting with underserved E911 locations. For purposes of this section, “underserved” shall mean any E911 location in Vermont that lacks a funded wired solution for internet access at the speed of 25/3 Mbps or better. The appropriation shall be distributed as follows:

(A) An amount of \$4,240 per underserved E911 location to each Communications Union District (“CUD”) for each underserved E911 location in the CUDs service territory or a lesser amount requested by a CUD to cover the cost of deployment of fiber-to-the-premises broadband to cover every underserved E911 location. The funding shall be awarded upon certification by the Commissioner of Public Service that the CUD either has entered into a partnership or other appropriate legally binding arrangement with a qualifying entity through a competitive bid to reach every underserved E911 location in its territory, or the CUD has a plan, approved in advance by the Commissioner, to finance the construction of a broadband network that reaches every underserved E911 location in its territory.

(B) An amount of up to \$4,240 per underserved E911 location for each underserved E911 location not within a CUD territory to be granted to a qualifying entity to serve those

underserved E911 locations. Grants under this subsection shall only be made to fund deployment to all underserved E911 locations in an entire town. In making grants the Commissioner shall first consult with the affected municipalities and seek their approval before awarding grants within their jurisdiction. Grants shall be awarded through a competitive bid process.

(C) Funds not awarded under subsections (A) and (B) of this section shall transfer to the Connectivity Fund for distribution under the Connectivity Initiative for all underserved E911 locations not covered by grants made under subsections (A) and (B) of this section.

(D) Amounts awarded under this section shall be based on broadband availability data developed and produced by the Public Service Department in fiscal year 2021.

(E) As used in this section, the term “qualifying entity” shall mean incumbent communications providers, competitive communications providers, electric transmission utilities, and electric distribution utilities.

(2) FIBERCONNECT UPGRADE, CONTINUATION. \$500,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Public Service Department for the FiberConnect broadband internet service provided to 40 public libraries and their communities.

(3) FULFILLING VERMONT’S 10-YEAR TELECOMMUNICATIONS PLAN. \$10,000,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Public Service Department to implement recommendations made in the 10-year Telecommunications Plan due to be adopted by June 30, 2021. In selecting one or more recommendations for adoption, the Commissioner shall first consult with Vermont Telecommunications and Connectivity Advisory Board. If the Commissioner declines to accept the advice of the Board the Commissioner shall provide a written explanation of that decision to the Board.

(f) ADMINISTRATIVE COSTS. \$6,500,000 is appropriated from the ARPA State Fiscal Relief Fund in fiscal year 2022 to the Agency of Administration, for distribution by the Secretary of Administration to agencies and departments as needed to support the administration of

programs and initiatives pursuant to this act. This will include adding limited-service positions and working with a recovery fund consultant. Notwithstanding 32 V.S.A. § 5, the Secretary of Administration shall have the authority to create Limited Service Positions funded with the department's ARPA State Fiscal Relief Fund appropriations in this section.

(g) ARPA State Fiscal Relief Fund monies appropriated in this section of this act that are unexpended in fiscal year 2022 shall carryforward.

Sec. 4. FY2022 AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE FISCAL RELIEF FUND TRANSFERS AND SPECIAL FUND APPROPRIATIONS

(a) TRANSFER TO CLEAN ENERGY DEVELOPMENT FUND. In fiscal year 2022, \$1,500,000 is transferred from the ARPA State Fiscal Relief Fund to the Clean Energy Development Fund (21991) established by 30 V.S.A. § 8015.

(b) CLEAN ENERGY DEVELOPMENT FUND APPROPRIATION FOR MODERN WOOD HEAT SYSTEM INCENTIVES. In fiscal year 2022, \$1,500,000 is appropriated from the Clean Energy Development Fund (21991) to the Public Service Department for incentive payments that encourage the implementation of modern wood heat systems.

Sec. 5. PERMIT EXPEDITING; FEDERAL STIMULUS

(a) Notwithstanding any other provision of law, the following shall apply to an application for a permit, certificate, or other approval to the Agency of Natural Resources, the Agency of Transportation, the Department of Fire Safety, an appropriate municipal panel under 24 V.S.A. chapter 117, or a District Environmental Commission under 10 V.S.A. chapter 151 with respect to a project that will receive any of its funding through the federal American Rescue Plan Act (P.L. 117-2):

(1) The application shall be given priority over pending applications unless a pending application represents an action to resolve an urgent public health or environmental issue.

(2) An appropriate municipal panel shall adjourn the hearing promptly after all parties have submitted evidence and argument and issue a decision within 30 days after the adjournment of the hearing, and failure of the panel to issue a decision within this period shall be deemed approval and shall be effective on the 31st day.

(3) A District Commission shall adjourn the hearing promptly after all parties have submitted evidence and argument and issue a decision within 60 days after the adjournment of the hearing, and failure of the commission to issue a decision within this period shall be deemed approval and shall be effective on the 61st day.

Sec. 6. PROJECTS RECEIVING FUNDS PURSUANT TO THE AMERICAN RESCUE PLAN ACT OF 2021 AND CERTAIN AGENCY OF TRANSPORTATION PROJECTS

7 V.S.A. Chapter 151, subchapter 6 is added to read:

10 V.S.A. § 6121. Purpose

The purpose of this subchapter is to provide an exemption from the permitting requirements of Title 10, Chapter 151 for projects that receive ARPA funds that are located in certain state designated areas, and certain Agency of Transportation projects.

10 V.S.A. § 6122. Definitions

As used in this subchapter

(1) “ARPA funded project” means any development project funded in part by funds from the American Rescue Plan Act of 2021.

(2) “ARPA development zone” means any of the following:

(A) Downtown development districts designated pursuant to 24 V.S.A. § 2793;

(B) Village centers designated pursuant to 24 V.S.A. § 2793a that also has a duly adopted and regionally approved municipal plan and duly adopted permanent zoning and subdivision bylaws that include flood hazard and river corridor bylaws;

(C) Neighborhood development areas designated pursuant to 24 V.S.A. § 2793e; and

(D) Existing industrial parks permitted pursuant to this Chapter.

10 V.S.A. § 6123. Determination of ARPA funded projects

(1) Any person proposing an ARPA funded project located entirely within an ARPA development zone may obtain a Jurisdictional Opinion from the District Coordinator pursuant to 10 V.S.A. § 6007 and Board rules. The requester shall provide the District Coordinator with the following:

(A) documentation sufficient to verify that the proposed project is an ARPA funded development;

(B) a project description to document the use, total square footage of each component of the development, and all involved land proposed to be used for the project; and

(C) a site plan.

(2) Any project deemed to be an ARPA funded project that is not required to obtain a permit or permit amendment pursuant to this chapter, shall file a final site plan with the District Coordinator within 3 months of completion of the project.

(3) Pursuant to Board rules all documentation and each Jurisdictional Opinion issued pursuant to subsection shall be published online.

10 V.S.A. § 6124. ARPA funded projects and ARPA development zones. When permits required.

(1) No permit is required for an ARPA funded project located entirely within an ARPA development zone if the project is proposed for a tract or tracts of land not currently encumbered by a permit issued pursuant to this chapter.

(2) No permit amendment is required for an ARPA funded project located entirely within an ARPA development zone if the project will comply with all conditions of any existing permit or permit amendment issued pursuant to this chapter that applies to the tract or tracts of land on which the ARPA funded project will be located. If it is determined by a Jurisdictional Opinion issued pursuant to section 6023 of this chapter that an ARPA funded project will not comply

with one or more existing conditions, an application shall be filed pursuant to section 6125 of this chapter.

(3) In order for the exemptions in this section to apply a jurisdictional opinion must be issued pursuant to section 6123 of this chapter finding that the exemptions apply.

10 V.S.A. § 6125. Permitting for ARPA funded projects that are inconsistent with existing permits.

This section concerns an application for a permit amendment to change the conditions of an existing permit or permit amendment in order to authorize the construction of an ARPA funded project.

(1) Notwithstanding any provision in this chapter to the contrary, the District Commission may authorize a District Coordinator to issue such an amendment, without notice and a hearing, if the applicant demonstrates that all parties to the existing permit or permit amendment, which contains the condition or conditions proposed to be changed, or their successors in interest have consented to the proposed changes to conditions relative to the criteria for which the party obtained party status.

(2) If the applicant is not able to obtain the consent of a party or parties or their successors in interest with respect to one or more of the conditions in the existing permit or permit amendment proposed to be changed, the notice and hearing requirements of 10 V.S.A. § 6084 shall apply. However, notwithstanding any provision in this chapter to the contrary, review by the District Commission shall be limited to whether the changes to conditions not consented to by the party or parties or their successors in interest enable positive findings to be made under subsection 6086(a) and are authorized under subsection 6086(c) of this title.

10 V.S.A. § 6126. Future changes to ARPA funded Projects

Any change proposed to an ARPA funded project that was not required to obtain a permit pursuant to this subchapter and which is not itself ARPA funded, must be authorized by a permit issued pursuant to this chapter if the change constitutes a “substantial change”. For the purpose of this subsection, a substantial change to an ARPA funded project shall be analyzed in the same

manner that a substantial change to a preexisting development is analyzed pursuant to Board rules.

10 V.S.A. § 6127. Jurisdiction over certain state transportation facilities

Notwithstanding any provision in this chapter to the contrary, no permit or permit amendment is required for the construction of Federally funded highway transportation and structures projects, that are to be used for municipal or State purposes, and for which a public hearing for new right-of-way acquisition, an application for a state or federal permit or authorization, or construction has commenced prior to December 31, 2027.

10 V.S.A. § 6128. Sunset.

Except for 10 V.S.A. § 6126, this subchapter 6, of Title 10, Chapter 151, shall be repealed on December 31, 2027.

Sec. 7. EFFECTIVE DATES

(a) Sections 1, 2, 5, and 6 shall take effect on passage.

(b) Sections 3 and 4 shall take effect on July 1, 2021.

(c) Sec. 5 shall be repealed on July 1, 2025.