

1 S.14

2 Introduced by Senator Sirotkin

3 Referred to Committee on

4 Date:

5 Subject: Property; deed restrictions; municipal bylaws

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

10 An act relating to deed restrictions and housing density

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

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

13 § 545. COVENANTS, CONDITIONS, AND RESTRICTIONS OF

14 SUBSTANTIAL PUBLIC INTEREST

15 Deed restrictions, covenants, or similar binding agreements added after  
16 ~~January~~ March 1, 2021 that prohibit or have the effect of prohibiting land  
17 development allowed under a municipality's bylaws 24 V.S.A. § 4412(1)(E)  
18 and (2)(A) shall not be valid. This section shall not affect the enforceability of  
19 any property interest held in whole or in part by a qualified organization or  
20 State agency as defined in 10 V.S.A. § 6301a, including any restrictive

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

7 Sec. 2. EFFECTIVE DATE

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