1	TO THE HONORABLE SENATE:
2	The Committee on Natural Resources and Energy to which was referred
3	Senate Bill No. 234 entitled "An act relating to changes to Act 250"
4	respectfully reports that it has considered the same and recommends that the
5	bill be amended by striking out all after the enacting clause and inserting in
6	lieu thereof the following:
7	* * * Municipal Zoning * * *
8	Sec. 1. 24 V.S.A. § 2793e is amended to read:
9	§ 2793e. NEIGHBORHOOD PLANNING AREAS; DESIGNATION OF
10	NEIGHBORHOOD DEVELOPMENT AREAS
11	(a) Purpose. This section is intended to encourage a municipality to plan
12	for new and infill housing in the area including and immediately encircling its
13	designated downtown, village center, new town center, or within its designated
14	growth center in order to provide needed housing and to further support the
15	commercial establishments in the designated center. To support this goal, this
16	section sets out a two-component process.
17	* * *
18	(b) Definitions.
19	(1) "Neighborhood planning area" means an automatically delineated
20	area including and encircling a downtown, village center, or new town center

designated under this chapter or within a growth center designated under this

chapter. A neighborhood planning area is used for the purpose of identifying locations suitable for new and infill housing that will support a development pattern that is compact, oriented to pedestrians, and consistent with smart growth principles. To ensure a compact settlement pattern, the outer boundary of a neighborhood planning area shall be located entirely within the boundaries of the applicant municipality, unless a joint application is submitted by more than one municipality, and shall be determined:

8 ***

(c) Application for designation of a neighborhood development area. The State Board shall approve a neighborhood development area if the application demonstrates and includes all of the following elements:

12 **

(5) The proposed neighborhood development area consists of those portions of the neighborhood planning area that are appropriate for new and infill housing, excluding identified flood hazard and fluvial erosion areas.

except those areas containing preexisting development in areas suitable for infill development as defined in § 29-201 of the Vermont Flood Hazard Area and River Corridor Rule. In determining what areas are most suitable for new and infill housing, the municipality shall balance local goals for future land use, the availability of land for housing within the neighborhood planning area, and the smart growth principles. Based on those considerations, the

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1	municipality shall select an area for neighborhood development area
2	designation that:

(A) Avoids or that minimizes to the extent feasible the inclusion of "important natural resources" as defined in subdivision 2791(14) of this title. If an "important natural resource" is included within a proposed neighborhood development area, the applicant shall identify the resource, explain why the resource was included, describe any anticipated disturbance to such resource, and describe why the disturbance cannot be avoided or minimized. If the neighborhood development area includes flood hazard areas or river corridors, the local bylaws shall contain provisions consistent with the Agency of Natural Resources' rules required under 10 V.S.A. § 754(a) to ensure that new infill development within a neighborhood development area occurs outside the flood hazard area and will not cause or contribute to fluvial erosion hazards within the river corridor. If the neighborhood development area includes flood hazard areas or river corridors, local bylaws shall also contain provisions to protect river corridors outside the neighborhood development area consistent with the Agency of Natural Resources' rules required under 10 V.S.A. § 754(a).

1	(6) The neighborhood development area is served by:
2	(A) municipal sewer infrastructure; or
3	(B) a community or alternative wastewater system approved by the
4	Agency of Natural Resources. [Repealed.]
5	(7) The municipal bylaws allow minimum net residential densities
6	within the neighborhood development area greater than or equal to four single
7	family detached dwelling units per acre for all identified residential uses or
8	residential building types, exclusive of accessory dwelling units, or no not
9	fewer than the average existing density of the surrounding neighborhood,
10	whichever is greater. The methodology for calculating density shall be
11	established in the guidelines developed by the Department pursuant to
12	subsection 2792(d) of this title.
13	* * *
14	Sec. 2. 24 V.S.A. § 2793b is amended to read:
15	§ 2793b. DESIGNATION OF NEW TOWN CENTER DEVELOPMENT
16	DISTRICTS
17	* * *
18	(b) Within 45 days of receipt of a completed application, the State Board
19	shall designate a new town center development district if the State Board finds
20	with respect to that district, the municipality has:
21	* * *

1	(2) Provided a community investment agreement that has been executed
2	by authorized representatives of the municipal government, businesses and
3	property owners within the district, and community groups with an articulated
4	purpose of supporting downtown interests, and contains the following:
5	* * *
6	(B) Regulations enabling high densities that are greater not less than
7	four dwelling units, including all identified residential uses or residential
8	building types, per acre and not less than those allowed in any other part of the
9	municipality not within an area designated under this chapter.
10	* * *
11	Sec. 3. 24 V.S.A. § 4449 is amended to read:
12	§ 4449. ZONING PERMIT, CERTIFICATE OF OCCUPANCY, AND
13	MUNICIPAL LAND USE PERMIT
14	(a) Within any municipality in which any bylaws have been adopted:
15	* * *
16	(4) No municipal land use permit issued by an appropriate municipal
17	panel or administrative officer, as applicable, for a site plan or conditional use
18	shall be considered abandoned or expired unless more than two years has
19	passed since the permit approval was issued.
20	Sec. 4. 10 V.S.A. chapter 151, subchapter 6 is added to read:

1	ACCELERATED PROGRAM FOR HOUSING FUNDED BY THE
2	AMERICAN RESUCE PLAN ACT OF 2021
3	§ 6201. PURPOSE
4	The purpose of this subchapter is to provide an exemption from the
5	permitting requirements of chapter 151 of this title for affordable housing
6	projects that receive ARPA funds located in in certain designated areas.
7	§ 6202. DEFINITIONS
8	As used in this subchapter
9	(1) "Affordable housing" means a housing project which shall meet the
10	stretch code established pursuant to 30 V.S.A. § 51 (d) and in which the
11	following apply:
12	(A) Owner-occupied housing. Owner-occupied housing shall be at
13	least 80 percent of the housing units have a purchase price that at the time of
14	first sale does not exceed 90 percent of the new construction, targeted area
15	purchase price limits established and published annually by the Vermont
16	Housing Finance Agency.
17	(B) Rental housing. At least 80 percent of the housing units that have
18	a duration of affordability of not less than 30 years and the total annual cost of
19	renting, including rent, utilities, and condominium association fees, does not
20	exceed 30 percent of the gross annual income of a household at 150 percent of
21	the highest of the following:

1	(i) the county median income, as defined by the U.S. Department
2	of Housing and Urban Development;
3	(ii) the standard metropolitan statistical area median income if the
4	municipality is located in such an area, as defined by the U.S. Department of
5	Housing and Urban Development; or
6	(iii) the statewide median income, as defined by the U.S.
7	Department of Housing and Urban Development.
8	(2) "ARPA-funded housing project" means an affordable housing
9	project funded in whole or in part by funds from the American Rescue Plan
10	Act of 2021.
11	(3) "ARPA development zone" means the following areas designated
12	pursuant to 24 V.S.A. chapter 76A: downtown development district, new town
13	center, growth center, and neighborhood development area.
14	§ 6203. DETERMINATION OF ARPA-FUNDED PROJECTS
15	(a) Any person seeking to construct an ARPA-funded affordable housing
16	project located entirely within an ARPA development zone may obtain a
17	jurisdictional opinion from the district coordinator pursuant to section 6007 of
18	this title. The requester shall provide the District Coordinator with the
19	following:
20	(1) documentation sufficient to verify that the proposed project is an
21	ARPA-funded project;

1	(2) a project description sufficient to document the use, total square
2	footage of each component of the development, and all involved land proposed
3	to be used for the project; and
4	(3) a site plan.
5	(b) Any project deemed to be an ARPA-funded project that is not required
6	to obtain a permit or permit amendment pursuant to this subchapter, shall file a
7	final site plan with the district coordinator within three months of completion
8	of the project.
9	(c) Pursuant to Board rules all documentation and each jurisdictional
10	opinion issued pursuant to subsection shall be published online.
11	§ 6204. ARPA-FUNDED PROJECTS AND ARPA DEVELOPMENT
12	ZONES; WHEN PERMITS REQUIRED
13	(a) No permit is required for an ARPA-funded housing project located
14	entirely within an ARPA development zone if the project is proposed for a
15	tract or tracts of land not currently encumbered by a permit issued pursuant to
16	this chapter.
17	(b) No permit amendment is required for an ARPA-funded housing project
18	located entirely within an ARPA development zone if the project will comply
19	with all conditions of any existing permit or permit amendment issued pursuant
20	to this chapter that applies to the tract or tracts of land on which the ARPA-
21	funded project will be located. If it is determined by a jurisdictional opinion

1	issued pursuant to section 6203 of this title that an ARPA-funded project will
2	not comply with one or more existing conditions, an application shall be filed
3	pursuant to section 6205 of this chapter.
4	(c) In order for the exemptions in this section to apply a jurisdictional
5	opinion must be issued pursuant to section 6203 of this title finding that the
6	exemptions apply.
7	§ 6205. PERMITTING FOR ARPA-FUNDED PROJECTS
8	INCONSISTENT WITH EXISTING PERMITS
9	(a) This section concerns an application for a permit amendment to change
10	the conditions of an existing permit or permit amendment in order to authorize
11	the construction of an ARPA-funded project.
12	(b) Notwithstanding any provision in this chapter to the contrary, the
13	District Commission may authorize a district coordinator to issue an
14	amendment, without notice and a hearing, if the applicant demonstrates that all
15	parties to the existing permit or permit amendment, which contains the
16	condition or conditions proposed to be changed, or their successors in interest
17	have consented to the proposed changes to conditions relative to the criteria for
18	which the party obtained party status.
19	(c) If the applicant is not able to obtain the consent of a party or parties or
20	their successors in interest with respect to one or more of the conditions in the
21	existing permit or permit amendment proposed to be changed, the notice and

1	hearing requirements of section 6084 of this title shall apply. However,
2	notwithstanding any provision in this chapter to the contrary, review by the
3	District Commission shall be limited to whether the changes to conditions not
4	consented to by the party or parties or their successors in interest enable
5	positive findings to be made under subsection 6086(a) and are authorized
6	under subsection 6086(c) of this title.
7	§ 6206. FUTURE CHANGES TO ARPA-FUNDED PROJECTS
8	Any change proposed to an ARPA-funded housing project that was not
9	required to obtain a permit pursuant to this subchapter and which is not itself
10	ARPA funded, must be authorized by a permit issued pursuant to this chapter
11	if the change constitutes a "substantial change." For the purpose of this
12	subsection, a substantial change to an ARPA-funded project shall be analyzed
13	in the same manner that a substantial change to a preexisting development is
14	analyzed pursuant to Board rules.
15	<u>§ 6207. REPORTS</u>
16	(a) On or before August 1, 2022, the Joint Fiscal Office shall convene a
17	working group to evaluate the impacts of this subchapter. The group shall
18	consist of:
19	(1) The Secretary of Commerce and Community Development, or
20	designee;
21	(2) The Chair of the Natural Resources Board, or designee;

1	(3) The Executive Director of the Vermont Housing and Conservation
2	Board, or designee;
3	(4) The Executive Director of the Vermont Housing Finance Agency, or
4	designee; and
5	(5) The Director of the Joint Fiscal Office or designee.
6	(b) The group shall elect a chair at its first meeting. A majority of
7	members shall constitute a quorum. The group shall meet up to four times per
8	<mark>year.</mark>
9	(c) The group shall analyze the impacts of the exemption created under this
10	subchapter, including how many units of housing have been created under this
11	subchapter, what types of housing units have been created, and average rent of
12	the units created.
13	(d) The group shall submit reports to the committees of jurisdiction, which
14	are the Senate Committees on Economic Development, Housing and General
15	Affairs and on Natural Resources and Energy and the House Committees on
16	General, Housing, and Military Affairs and on Natural Resources, Fish, and
17	Wildlife. On or before January 15 each year, the group shall report to the
18	Committees of jurisdiction updates on the impacts of this subchapter. On or
19	before January 15, 2027, the group shall submit a preliminary final report to
20	the Committees. On or before March 1, 2027, the group shall submit its final
21	report.

1	<u>§ 6208. SUNSET</u>
2	This subchapter 6 of chapter 151 shall be repealed on January 1, 2027.
3	* * * Act 250 * * *
4	Sec. 5. 10 V.S.A. § 6001 is amended to read:
5	§ 6001. DEFINITIONS
6	As used in this chapter:
7	* * *
8	(3)(A) "Development" means each of the following:
9	* * *
10	(iv) The construction of housing projects such as cooperatives,
11	condominiums, or dwellings, or construction or maintenance of mobile homes
12	or mobile home parks, with 10 or more units, constructed or maintained on a
13	tract or tracts of land, owned or controlled by a person, within a radius of five
14	miles of any point on any involved land and within any continuous period of
15	five years. However:
16	(I) A priority housing project shall constitute a development
17	under this subdivision (iv) only if the number of housing units in the project is:
18	(aa) [Repealed.]
19	(bb) [Repealed.]
20	(cc) 75 or more, in a municipality with a population of 6,000
21	or more but less than 10,000.

1	(dd) 50 or more, in a municipality with a population of
2	3,000 or more but less than 6,000.
3	(ee) 25 or more, in a municipality with a population of less
4	than 3,000. [Repealed.]
5	(ff) Notwithstanding subdivisions (cc) through (ee) of this
6	subdivision (3)(A)(iv)(I), 10 or more if the construction involves the
7	demolition of one or more buildings that are listed on or eligible to be listed on
8	the State or National Register of Historic Places. However, demolition shall
9	not be considered to create jurisdiction under this subdivision (ff) if the
10	Division for Historic Preservation has determined that the proposed demolition
11	will have no adverse effect, will have no adverse effect if specified conditions
12	are met, or will have an adverse effect that will be adequately mitigated. Any
13	imposed conditions shall be enforceable through a grant condition, deed
14	covenant, or other legally binding document.
15	* * *
16	(6) "Floodway" means the channel of a watercourse that is expected to
17	flood on an average of at least once every 100 years and the adjacent land areas
18	that are required to carry and discharge the flood of the watercourse, as
19	determined by the Secretary of Natural Resources with full consideration given
20	to upstream impoundments and flood control projects "Flood hazard area" has
21	the same meaning as under section 752 of this title.

1	(7) "Floodway fringe" means an area that is outside a floodway and is
2	flooded with an average frequency of once or more in each 100 years, as
3	determined by the Secretary of Natural Resources with full consideration given
4	to upstream impoundments and flood control projects "River corridor" has the
5	same meaning as under section 752 of this title.
6	* * *
7	(27) "Mixed income housing" means a housing project in which the
8	following apply:
9	(A) Owner-occupied housing. At the option of the applicant, owner-
10	occupied housing may be characterized by either of the following:
11	(i) at least 15 percent of the housing units have a purchase price
12	that at the time of first sale does not exceed 85 percent of the new construction,
13	targeted area purchase price limits established and published annually by the
14	Vermont Housing Finance Agency; or
15	(ii) at least 20 percent of the housing units have a purchase price
16	that at the time of first sale does not exceed 90 percent of the new construction,
17	targeted area purchase price limits established and published annually by the
18	Vermont Housing Finance Agency meet the requirements of affordable owner-
19	occupied housing under subdivision (29)(A) of this section, adjusted for the
20	number of bedrooms, as established and published annually by the Vermont
21	Housing Finance Agency.

1	(B) Rental housing. At least 20 percent of the housing units that are
2	rented constitute affordable housing and have a duration of affordability of For
3	not less than 15 years following the date that rental housing is initially placed
4	in service, at least 20 percent of the housing units meet the requirements of
5	affordable rental housing under subdivision (29)(B) of this section, adjusted for
6	the number of bedrooms, as established and published annually by the
7	Vermont Housing Finance Agency.
8	* * *
9	Sec. 6. 10 V.S.A. § 6086 is amended to read:
10	§ 6086. ISSUANCE OF PERMIT; CONDITIONS AND CRITERIA
11	(a) Before granting a permit, the District Commission shall find that the
12	subdivision or development:
13	* * *
14	(D) Floodways Flood hazard areas; river corridors. A permit will be
15	granted whenever it is demonstrated by the applicant that, in addition to all
16	other applicable criteria:
17	(i) the development or subdivision of lands within a floodway
18	flood hazard area or river corridor will not restrict or divert the flow of flood
19	waters floodwaters, cause or contribute to fluvial erosion, and endanger the
20	health, safety, and welfare of the public or of riparian owners during flooding;
21	and

1	(ii) the development or subdivision of lands within a floodway
2	fringe will not significantly increase the peak discharge of the river or stream
3	within or downstream from the area of development and endanger the health,
4	safety, or welfare of the public or riparian owners during flooding.
5	* * *
6	* * * Municipal Response to Act 250 Requests * * *
7	Sec. 7. 10 V.S.A. 6086(g) is added to read:
8	(g) If a municipality fails to respond to a request by the applicant within
9	90 days as to the impacts related to subdivision (a)(6) or (7) of this section, the
10	application will be presumed not to have an unreasonable burden on
11	educational, municipal, or governmental services.
12	* * * Forest Blocks * * *
13	Sec. 8. 10 V.S.A. § 6001 is amended to read:
14	§ 6001. DEFINITIONS
15	As used in this chapter:
16	* * *
17	(43) "Connecting habitat" means land or water, or both, that links
18	patches of habitat within a landscape, allowing the movement, migration, and
19	dispersal of wildlife and plants and the functioning of ecological processes. A
20	connecting habitat may include features including recreational trails and
21	improvements constructed for farming, logging, or forestry purposes.

1	(44) "Forest block" means a contiguous area of forest in any stage of
2	succession and not currently developed for nonforest use. A forest block may
3	include features including recreational trails, wetlands, or other natural features
4	that do not themselves possess tree cover and improvements constructed for
5	farming, logging, or forestry purposes.
6	(45) "Habitat" means the physical and biological environment in which
7	a particular species of plant or wildlife lives.
8	Sec. 9. 10 V.S.A. § 6086(a)(8) is amended to read:
9	(8) Ecosystem protection; scenic beauty; historic sites.
10	(A) Aesthetics. Will not have an undue adverse effect on the scenic
11	or natural beauty of the area, aesthetics, or historic sites or rare and
12	irreplaceable natural areas .
13	(A)(B) Necessary wildlife habitat and endangered species. A permit
14	will not be granted if it is demonstrated by any party opposing the applicant
15	that a development or subdivision will destroy or significantly imperil
16	necessary wildlife habitat or any endangered species; and:
17	(i) the economic, social, cultural, recreational, or other benefit to
18	the public from the development or subdivision will not outweigh the
19	economic, environmental, or recreational loss to the public from the
20	destruction or imperilment of the habitat or species; or

1	(ii) all feasible and reasonable means of preventing or lessening
2	the destruction, diminution, or imperilment of the habitat or species have not
3	been or will not continue to be applied; or
4	(iii) a reasonably acceptable alternative site is owned or controlled
5	by the applicant which that would allow the development or subdivision to
6	fulfill its intended purpose.
7	(C) Forest blocks and connecting habitat. Will not result in an undue
8	adverse impact on forest blocks, connecting habitat, or rare and irreplaceable
9	natural areas. If a project as proposed would result in an undue adverse
10	impact, a permit may only be granted if effects are avoided, minimized, and
11	mitigated in accordance with rules adopted by the Board.
12	Sec. 10. CRITERION 8(C) RULEMAKING
13	(a) The Natural Resources Board (Board), in consultation with the Agency
14	of Natural Resources, shall adopt rules to implement the requirements for the
15	administration of 10 V.S.A. § 6086(a)(8)(C). Rules adopted by the Board shall
16	include:
17	(1) How forest blocks and connecting habitat are further defined,
18	including their size, location, and function, which may include:
19	(A) information that will be available to the public to determine
20	where forest blocks and connecting habitat are located; or

1	(B) advisory mapping resources, how they will be made available,
2	how they will be used, and how they will be updated.
3	(2) Standards establishing how impacts can be avoided, minimized, or
4	mitigated, including how fragmentation of forest blocks or connecting habitat
5	is avoided or minimized, which may include steps to promote proactive site
6	design of buildings, roadways and driveways, utility location, and location
7	relative to existing features such as roads, tree lines, and fence lines.
8	(3) Criteria to identify when a forest block or connecting habitat is
9	eligible for mitigation.
10	(4) Standards for how impacts to a forest block or connecting habitat
11	may be mitigated. Standards may include:
12	(A) appropriate ratios for compensation;
13	(B) appropriate forms of compensation such as conservation
14	easements, fee interests in land, and other forms of compensation; and
15	(C) appropriate uses of on-site and off-site mitigation.
16	(b) The Board shall convene a working group to provide input to the rule
17	prior to prefiling with the Interagency Committee on Administrative Rules.
18	The Board shall convene the working group on or before February 1, 2023.
19	(c) The Board shall file a final proposed rule with the Secretary of State
20	and Legislative Committee on Administrative Rules on or before June 15,
21	<u>2023.</u>

- 1 Sec. 11. 10 V.S.A. § 127 is amended to read:
- 2 § 127. RESOURCE MAPPING

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- 3 (a) On or before January 15, 2013, the The Secretary of Natural Resources 4 shall complete and maintain resource mapping based on the Geographic 5 Information System (GIS) or other technology. The mapping shall identify 6 natural resources throughout the State, including forest blocks, that may be 7 relevant to the consideration of energy projects and projects subject to chapter 151 of this title. The Center for Geographic Information shall be available to 8 9 provide assistance to the Secretary in carrying out the GIS-based resource 10 mapping.
 - (b) The Secretary of Natural Resources shall consider the GIS-based resource maps developed under subsection (a) of this section when providing evidence and recommendations to the Public Utility Commission under 30 V.S.A. § 248(b)(5) and when commenting on or providing recommendations under chapter 151 of this title to District Commissions on other projects.
 - (c) The Secretary shall establish and maintain written procedures that include a process and science-based criteria for updating resource maps developed under subsection (a) of this section. Before establishing or revising these procedures, the Secretary shall provide opportunities for affected parties and the public to submit relevant information and recommendations.

1	* * * Roads * * *
2	Sec. 12. 10 V.S.A. § 6001 is amended to read:
3	§ 6001. DEFINITIONS
4	As used in this chapter:
5	* * *
6	(3)(A) "Development" means each of the following:
7	* * *
8	(xi) The construction of a road, roads, driveway, or driveways,
9	which as a single road or driveway is greater than 800 feet, or which in
10	combination is greater than 2,000 feet, to provide access to or within a tract or
11	tracts of land of more than one acre owned or controlled by a person.
12	(I) For the purposes of determining jurisdiction under this
13	subdivision (xi), any tract or tracts of land that will be provided access by the
14	road or driveway is involved land.
15	(II) As used in this subdivision (xi), "road" shall include any
16	new road or upgrade of a class 4 highway by a person other than a
17	municipality, including a road that will be transferred to or maintained by a
18	municipality after its construction or upgrade. For the purposes of this
19	subdivision (II), routine maintenance of a class 4 highway or stormwater
20	improvement required pursuant to section 1264 of this title shall not constitute
21	an "upgrade."

1	(aa) Routine maintenance shall include replacing a culvert
2	or ditch, increasing the size or configuration of an existing drainage structure
3	to improve resiliency, applying new stone, grading, or making repairs after
4	adverse weather.
5	(bb) Routine maintenance shall not include changing the
6	size of the road, changing the location or layout of the road, or adding
7	pavement unless undertaken to improve the function of an existing drainage
8	structure.
9	(III) For the purpose of determining the length under this
10	subdivision (xi), the length of all roads and driveways within the tract or tracts
11	of land constructed within any continuous period of 10 years after October 1,
12	2020 shall be included.
13	(IV) This subdivision (xi) shall not apply to:
14	(aa) a road constructed for a municipal, county, or State
15	purpose; a utility corridor of an electric transmission or distribution company;
16	or a road located entirely within a designated downtown or neighborhood
17	development area; and
18	(bb) a road used primarily for farming or forestry purposes
19	unless used for a residential purpose.
20	* * *

1	* * * Wood Products Manufacturers * * *
2	Sec. 13. 10 V.S.A. § 6001 is amended to read:
3	§ 6001. DEFINITIONS
4	* * *
5	(47) "Wood products manufacturer" means a manufacturer that
6	aggregates wood products from forestry operations and adds value through
7	processing or marketing in the wood products supply chain or directly to
8	consumers through retail sales. "Wood products manufacturer" includes
9	sawmills; veneer mills; pulp mills; pellet mills; producers of firewood,
10	woodchips, mulch, and fuel wood; and log and pulp concentration yards.
11	"Wood products manufacturer" does not include facilities that purchase,
12	market, and resell finished goods, such as wood furniture, wood pellets, and
13	milled lumber, without first receiving wood products from forestry operations.
14	(48) "Wood product" means logs, pulpwood, veneer wood, bolt wood,
15	wood chips, stud wood, poles, pilings, biomass, fuel wood, maple sap, and
16	<u>bark.</u>
17	Sec. 14. 10 V.S.A. § 6086(c) is amended to read:
18	(c)(1) Permit conditions. A permit may contain such requirements and
19	conditions as are allowable proper exercise of the police power and which that
20	are appropriate within the respect to subdivisions (a)(1) through (10) of this
21	section, including those set forth in 24 V.S.A. §§ 4414(4), 4424(a)(2),

1	4414(1)(D)(i), 4463(b), and 4464, the dedication of lands for public use, and
2	the filing of bonds to ensure compliance. The requirements and conditions
3	incorporated from Title 24 may be applied whether or not a local plan has been
4	adopted. General requirements and conditions may be established by rule of
5	the Natural Resources Board.
6	(2) Permit conditions on a wood products manufacturer.
7	(A) A permit condition that sets hours of operation for a wood
8	products manufacturer shall only be imposed to mitigate an impact under
9	subdivision (a)(1), (5), or (8) of this section.
10	(B) If an adverse impact under subdivision (a)(1), (5), or (8) of this
11	section would result, a permit with conditions shall allow the manufacturer to
12	operate while mitigating these impacts. A permit with conditions that mitigate
13	these impacts shall allow for deliveries of wood products from forestry
14	operations to the manufacturer outside permitted hours of operation, including
15	nights, weekends, and holidays, for the number of days demonstrated by the
16	manufacturer as necessary to enable business operations, not to exceed 90 days
17	per year.
18	(3) Permit with conditions on the delivery of wood heat fuels. A permit
19	with conditions issued to a wood products manufacturer that produces wood
20	chips, pellets, cord wood, or other fuel wood used for heat shall allow

shipment of that fuel wood from the manufacturer to the end user outside

2	October 1 through April 30 of each year. Permits with conditions shall
3	mitigate the undue adverse impacts while enabling the operations of the
4	manufacturer.
5	(4) Permit amendments. A wood products manufacturer holding a
6	permit may request an amendment to existing permit conditions related to
7	hours of operation and seasonal restrictions to be consistent with subdivisions
8	(2) and (3) of this subsection. Requests for condition amendments under this
9	subsection shall not be subject to Act 250 Rule 34(E).
10	* * * One-acre towns * * *
11	Sec. 15. 10 V.S.A. § 6001 is amended to read:
12	§ 6001. DEFINITIONS
13	* * *
14	(3)(A) "Development" means each of the following:
15	(i) The construction of improvements on a tract or tracts of land,
16	owned or controlled by a person, involving more than 10 acres of land within a
17	radius of five miles of any point on any involved land, for commercial or
18	industrial purposes in a municipality that has adopted permanent zoning and
19	subdivision bylaws.
20	(ii) The construction of improvements on a tract or tracts of land,
21	owned or controlled by a person, involving more than one acre of land within a

permitted hours of operation, including nights, weekends, and holidays, from

1	radius of five miles of any point on any involved land, for commercial or
2	industrial purposes on more than one acre of land within in a municipality that
3	has not adopted permanent zoning and subdivision bylaws.
4	* * *
5	* * * Environmental Court * * *
6	Sec. 17. ENVIRONMENTAL DIVISION OF SUPERIOR COURT;
7	POSITIONS; APPROPRIATION
8	(a) Establishment of the following limited-service positions is authorized in
9	the Environmental Division of the Superior Court in fiscal year 2023:
10	(1) one Environmental Division judge; and
11	(2) one law clerk.
12	(b) There is appropriated the sum of \$300,000.00 to the Environmental
13	Division of the Superior Court in fiscal year 2023 from the American Rescue
14	Plan Act of 2021 - Coronavirus State Fiscal Recovery Fund for the positions
15	established in subsection (a) of this section.
16	* * * Reports * * *
17	Sec. 18. REPORT; ACT 250 JURISDICTION OVER AGRICULTURAL
18	BUSINESSES
19	On or before January 15, 2023, the Natural Resources Board shall submit to
20	the General Assembly a report with recommendations on how Act 250
21	jurisdiction should be applied to agricultural businesses, including those

I	located on properties already operating as farms. The report shall address the
2	current land use planning requirements for farms and farms with accessory on-
3	farm businesses and whether different types of businesses associated with
4	farms and farming require different levels of review. The report may consider
5	whether or not the location of such businesses is relevant and may consider the
6	designation or adoption of agricultural business innovation zones with different
7	levels of review.
8	Sec. 19. DESIGNATED AREA REPORT; APPROPRIATION
9	(a) The sum of \$150,000.00 is appropriated from the General Fund to the
10	Department of Housing and Community Development in fiscal year 2023 for
11	the purpose of hiring a consultant to evaluate the State designation programs
12	established in 24 V.S.A. chapter 76A pursuant to subsection (b) of this section.
13	(b)(1) The Department of Housing and Community Development shall hire
14	an independent consultant to:
15	(A) review and assess the State designation programs and incentives
16	established in 24 V.S.A. chapter 76A that recognize and invest in the vitality of
17	Vermont's compact settlement areas; and
18	(B) conduct statewide stakeholder outreach to support the evaluation
19	of and future improvements to the programs, including participation by State,
20	regional, municipal, and advocacy and non-governmental organizations.

1	(2) The consultant shall make recommendations on how to:
2	(A) objectively define and map existing compact settlements as a
3	basis for broader recognition;
4	(B) improve the consistency between and among regional plans and
5	future land use maps;
6	(C) modernize these programs, including consideration of program
7	reform or consolidation;
8	(D) make the designation programs and associated benefits more
9	accessible to municipalities;
10	(E) apply regulatory and non-regulatory benefits;
11	(F) strengthen designation and incentives as a platform for place-
12	based economic development, climate-action, complete streets, and equity and
13	efficiency of public investment and service delivery;
14	(G) implement the smart growth principles established by 24 V.S.A.
15	<u>§ 2791; and</u>
16	(H) achieve the goals established in 24 V.S.A. § 4302.
17	(3) On or before July 15, 2023, the consultant shall submit a written
18	report to the General Assembly with its findings and any recommendations for
19	legislative action.
20	* * * Study Committee; Effective Date * * *
21	Sec. 20. STUDY COMMITTEE; NATURAL RESOURCES BOARD

1	STRUCTURE
2	(a) There is created a study committee on the structure and function of the
3	Natural Resources Board. The group shall consist of eight members, four
4	appointed by the Speaker of the House and four appointed by the Committee
5	on Committees.
6	(b) The group shall hear from various stakeholder groups on how to
7	enhance the administration of the Act 250 program, including considerations
8	<u>of:</u>
9	(1) the membership of the Board;
10	(2) the appointment process;
11	(3) grounds for removing a member from the Board;
12	(4) the responsibilities and authorities of the Board and District
13	Commissions;
14	(5) funding of the operation of the Board, District Commissions, and the
15	Act 250 program; and
16	(6) the handling of appeals issued by the District Commissions and the
17	Board.
18	(c) On or before December 31, 2022, the group shall report back to the
19	General Assembly with any proposed changes to the structure and function of
20	the Natural Resources Board.
21	* * * Effective Dates * * *

1	Sec. 21. EFFECTIVE DATES
2	This act shall take effect on July 1, 2022, except that Sec. 9 (10 V.S.A.
3	§ 6086(a)(8)) shall take effect on January 1, 2024.
4	
5	
6	(Committee vote:)
7	
8	Senator
9	FOR THE COMMITTEE