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H.568

Introduced by Representatives Dolan of Waitsfield, Anthony of Barre City,  
Bluemle of Burlington, Chapin of East Montpelier, Christie of  
Hartford, Howard of Rutland City, LaBounty of Lyndon, Lalley  
of Shelburne, Leavitt of Grand Isle, Masland of Thetford,  
Mrowicki of Putney, Noyes of Wolcott, Ode of Burlington, Patt  
of Worcester, Priestley of Bradford, Rice of Dorset, Satcowitz  
of Randolph, White of Bethel, and Williams of Barre City

Referred to Committee on

Date:

Subject: Conservation and development; climate resilience; municipal  
planning; municipal grant program

Statement of purpose of bill as introduced: This bill proposes to rename the  
Municipal Planning Grant Program at the Agency of Commerce and  
Community Development as the Municipal Planning and Resilience Grant  
Program to provide financial assistance to municipalities and regional planning  
commissions in the identification and implementation of climate resilience  
projects.

An act relating to the Municipal Planning and Resilience Grant Program

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

2 Sec. 1. 24 V.S.A. § 4306 is amended to read:

3 § 4306. MUNICIPAL AND REGIONAL PLANNING AND RESILIENCE

4 FUND

5 (a)(1) The Municipal and Regional Planning and Resilience Fund for the  
6 purpose of assisting municipal and regional planning commissions to carry out  
7 the intent of this chapter is hereby created in the State Treasury.

8 (2) The Fund shall be composed of 17 percent of the revenue from the  
9 property transfer tax under 32 V.S.A. chapter 231 and any monies from time to  
10 time appropriated to the Fund by the General Assembly or received from any  
11 other source, private or public. All balances at the end of any fiscal year shall  
12 be carried forward and remain in the Fund. Interest earned by the Fund shall  
13 be deposited in the Fund.

14 (3) Of the revenues in the Fund, each year:

15 (A) 10 percent shall be disbursed to the Vermont Center for  
16 Geographic Information;

17 (B) 70 percent shall be disbursed to the Secretary of Commerce and  
18 Community Development for performance contracts with regional planning  
19 commissions to provide regional planning services pursuant to section 4341a  
20 of this title; and

21 (C) 20 percent shall be disbursed to municipalities.

1 (b)(1) Allocations for performance contract funding to regional planning  
2 commissions shall be determined according to a formula to be adopted by rule  
3 under 3 V.S.A. chapter 25 by the Department for the assistance of the regional  
4 planning commissions. Disbursement of funding to regional planning  
5 commissions shall be predicated upon meeting performance goals and targets  
6 pursuant to the terms of the performance contract.

7 (2) Disbursement to municipalities shall be awarded annually on or  
8 before December 31 through a competitive program administered by the  
9 Department providing the opportunity for any eligible municipality or  
10 municipalities to compete regardless of size, provided that to receive funds, a  
11 municipality:

12 (A) shall be confirmed under section 4350 of this title; or

13 (B)(i) shall use the funds for the purpose of developing a municipal  
14 plan to be submitted for approval by the regional planning commission, as  
15 required for municipal confirmation under section 4350 of this title; and

16 (ii) shall have voted at an annual or special meeting to provide  
17 local funds for municipal planning and resilience purposes and regional  
18 planning purposes.

19 (3) Of the annual disbursement to municipalities, an amount not to  
20 exceed 20 percent of the total may be disbursed to the Department to  
21 administer a program providing direct technical consulting assistance under

1       retainer on a rolling basis to any eligible municipality to meet the requirements  
2       for designated neighborhood development area under chapter 76A of this title,  
3       provided that the municipality is eligible for funding under subdivision (2) of  
4       this subsection and meets funding guidelines established by the Department to  
5       ensure accessibility for lower capacity communities, municipal readiness, and  
6       statewide coverage.

7               (4) Of the annual disbursement to municipalities, the Department may  
8       allocate funding as bylaw modernization grants under section 4307 of this title.

9       (c) Funds allocated to municipalities shall be used for the purposes of:

10              (1) funding the regional planning commission in undertaking capacity  
11       studies;

12              (2) carrying out the provisions of subchapters 5 through 10 of this  
13       chapter;

14              (3) acquiring development rights, conservation easements, or title to  
15       those lands, areas, and strictures identified in either regional or municipal plans  
16       as requiring special consideration for provision of needed housing, aquifer  
17       protection, flood protection, climate resilience, open space, farmland  
18       preservation, or other conservation purposes; and

19              (4) reasonable and necessary costs of administering the Fund by the  
20       Department of Housing and Community Development, not to exceed six  
21       percent of the municipality allocation.

1       Sec. 2. MUNICIPAL PLANNING AND RESILIENCE GRANT PROGRAM

2           (a) The Agency of Commerce and Community Development shall rename  
3       the Municipal Planning Grant Program that the Agency administers under  
4       24 V.S.A. § 4306(b)(2) as the Municipal Planning and Resilience Grant  
5       Program.

6           (b) In addition to other funds appropriated to the Agency of Commerce and  
7       Community Development for grants under 24 V.S.A. § 4306, \$1,500,000.00 is  
8       appropriated from the General Fund to the Municipal and Regional Planning  
9       and Resilience Fund for the grants from the Fund for the following purposes:

10           (1) assistance to municipalities to support resiliency planning and  
11       identify and plan for resiliency projects to reduce damages from flooding and  
12       other climate change-related hazards; and

13           (2) funding for regional planning commissions to increase staff in order  
14       to support municipalities in conducting climate resiliency planning; project  
15       development and implementation; and hazard mitigation locally, regionally,  
16       and on a watershed scale.

17       Sec. 3. CLIMATE RESILIENCY PLANNING POSITIONS

18           (a) In addition to other funds appropriated to the Agency of Commerce and  
19       Community Development in fiscal year 2025, \$125,000.00 is appropriated  
20       from the General Fund to the Agency for the purpose of creating a new

1 permanent full-time position to staff the climate resiliency grants from the  
2 Municipal Planning and Resilience Grant Program.

3 (b) In addition to other funds appropriated to the Agency of Natural  
4 Resources in fiscal year 2025, \$125,000.00 is appropriated from the General  
5 Fund to the Agency for the purposes of funding a new permanent full-time  
6 position in the Water Investment Division of the Department of Environmental  
7 Conservation for the purposes of assisting in the financing of climate resilience  
8 projects from the Special Environmental Revolving Funds under 24 V.S.A.  
9 chapter 120.

10 Sec. 4. EFFECTIVE DATE

11 This act shall take effect on July 1, 2024.