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H.687

Introduced by Representatives Sheldon of Middlebury and Bongartz of

Manchester

Referred to Committee on

Date:

Subject: Conservation and development; land use; Act 250

Statement of purpose of bill as introduced: This bill proposes to make multiple changes to the State land use and development law, known as Act 250. It would also make changes to the regional plans and municipal plans.

~~An act relating to community resilience and biodiversity protection through land use~~

~~An act relating to land use planning, development, and housing~~

An act relating to community resilience and biodiversity protection through land use

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

~~\*\*\* Act 250 \*\*\*~~

Sec. 1. PURPOSE

The purpose of this act is to further assist the State in achieving the conservation vision and goals for the State established in 10 V.S.A. § 2802. It provides a regulatory framework that supports the vision for Vermont of  
~~human and natural community resilience and biodiversity protection in the~~

1 ~~face of climate change, as described in 2022 Acts and Resolves No. 50. It~~  
2 would strengthen the administration of the Act 250 program by changing the  
3 structure, function, and name of the Natural Resources Board. It requires that  
4 appeals of Act 250 permit decisions be heard by a five-member board called  
5 the Environmental Review Board. The Environmental Division of the  
6 Superior Court would continue to hear the other types of cases within its  
7 jurisdiction. The Environmental Review Board would retain the current duties  
8 of the Natural Resources Board in addition to hearing appeals, reviewing  
9 applications for the planned growth area designation, review the future land  
10 use maps of regional plans, and review the maps that establish the rural and  
11 working lands areas. The Board would provide oversight, management, and  
12 training to the Act 250 program staff and District Commissions and develop  
13 Act 250 program policy through permit decisions and rulemaking. This  
14 change would allow the Act 250 program to be a more citizen-friendly  
15 process. The structure established under this act would be used to guide State  
16 financial investment in infrastructure.

17 Sec. 2. 10 V.S.A. § 6000 is added to read:

18 § 6000. PURPOSE; CONSTRUCTION

19 The purposes of this chapter are to protect and conserve the environment of  
20 the State and to support the achievement of the goals of the Capability and

1 ~~Development Plan, of 24 V.S.A. § 4302(c), and of the conservation vision and~~  
2 ~~goals for the State established in section 2802 of this title.~~

3 Sec. 3. 10 V.S.A. § 6021 is amended to read:

4 § 6021. BOARD; VACANCY; REMOVAL

5 (a) ~~A Natural Resources Board established. The Environmental Review~~  
6 ~~Board is created to administer the Act 250 program and hear appeals.~~

7 (1) The Board shall consist of five members appointed by the Governor,  
8 after review and approval by the Environmental Review Board Nominating  
9 Committee in accordance with subdivision (2) of this subsection and  
10 confirmed with the advice and consent of the Senate, so that one appointment  
11 expires in each year. The Chair shall be a full-time position, and the other four  
12 members shall be half-time positions. In making these appointments, the  
13 Governor and the Senate shall give consideration to candidates who have  
14 experience, expertise, or skills relating to the environment or land use one or  
15 more of the following areas: environmental science, natural resources law and  
16 policy, land use planning, community planning, or environmental justice.

17 (A) The Governor shall appoint a chair of the Board, a position that  
18 shall be a full-time position. The Governor shall ensure Board membership  
19 reflects, to the extent possible, the racial, ethnic, gender, and geographic  
20 diversity of the State. The Board shall not contain two members who reside in  
21 the same county.

1 ~~(B) Following initial appointments, the members, except for the~~  
2 ~~Chair, shall be appointed for terms of ~~four~~ five years. All terms shall begin on~~  
3 ~~July 1 and expire on June 30. A member may continue serving until a~~  
4 ~~successor is appointed. The initial appointments shall be for staggered terms~~  
5 ~~of one year, two years, three years, four years, and five years.~~

6 (2) ~~The Governor shall appoint up to five persons, with preference~~  
7 ~~given to former Environmental Board, Natural Resources Board, or District~~  
8 ~~Commission members, with the advice and consent of the Senate, to serve as~~  
9 ~~alternates for Board members.~~

10 (A) ~~Alternates shall be appointed for terms of four years, with initial~~  
11 ~~appointments being staggered The Environmental Review Board Nominating~~  
12 ~~Committee shall advertise the position when a vacancy will occur on the~~  
13 ~~Environmental Review Board.~~

14 (B) ~~The Chair of the Board may assign alternates to sit on specific~~  
15 ~~matters before the Board in situations where fewer than five members are~~  
16 ~~available to serve The Nominating Committee shall review the applicants to~~  
17 ~~determine which are well qualified for appointment to the Board and shall~~  
18 ~~recommend those candidates to the Governor. The names of candidates shall~~  
19 ~~be confidential.~~

1 ~~(c) The Governor shall appoint and assign former Commission~~  
2 Senate, a chair and four members of the Board from the list of well-qualified  
3 candidates sent to the Governor by the Committee.

4 (b) ~~Any vacancy occurring in the membership of the Board shall be filled~~  
5 ~~by the Governor for the unexpired portion of the term~~ Terms; vacancy;  
6 succession. The term of each appointment subsequent to the initial  
7 appointments described in subsection (a) of this section shall be five years.  
8 Any appointment to fill a vacancy shall be for the unexpired portion of the  
9 term vacated. A member may seek reappointment by informing the Governor.  
10 If the Governor decides not to reappoint the member, the Nominating  
11 Committee shall advertise the vacancy.

12 (c) Removal. Notwithstanding the provisions of 3 V.S.A. § 2004, members  
13 shall only be removable for cause ~~only, except the Chair, who shall serve at the~~  
14 ~~pleasure of the Governor~~ by the remaining members of the Board in  
15 accordance with the Vermont Administrative Procedures Act. The Board shall  
16 adopt rules pursuant to 3 V.S.A. chapter 25 to define the basis and process for  
17 removal.

18 (d) Disqualified members. The Chair of the Board, upon request of the  
19 Chair of a District Commission, may appoint and assign former Commission

20 ~~members to sit on specific Commission cases when some or all of the regular~~

1  
2 otherwise unable to serve.

3 (e) Retirement from office. When a Board member who hears all or a  
4 substantial part of a case retires from office before the case is completed, the  
5 member may remain a member of the Board, at the member's discretion, for  
6 the purpose of concluding and deciding that case and signing the findings and  
7 judgments involved. A retiring chair shall also remain a member for the  
8 purpose of certifying questions of law if a party appeals to the Supreme Court.  
9 For the service, the member shall receive a reasonable compensation to be  
10 fixed by the remaining members of the Board and necessary expenses while on  
11 official business.

12 Sec. 4. 10 V.S.A. § 6032 is added to read:

13 § 6032. ENVIRONMENTAL REVIEW BOARD NOMINATING  
14 COMMITTEE

15 (a) Creation. The Environmental Review Board Nominating Committee is  
16 created for the purpose of assessing the qualifications of applicants for  
17 appointment to the Environmental Review Board in accordance with section  
18 6021 of this title.

19 (b) Members. The Committee shall consist of six members who shall be  
20

1 ~~(1) The Committee shall appoint two members from the General Assembly, one from the Senate and one from the House of Representatives, to serve on the~~  
2 Branch, with at least one being an employee of the Department of Human  
3 Resources.

4 (2) The Speaker of the House of Representatives shall appoint two  
5 members from the House of Representatives.

6 (3) The Senate Committee on Committees shall appoint two members  
7 from the Senate.

8 (c) Terms. The members of the Committee shall serve for terms of two  
9 years. Members shall serve until their successors are appointed. Members  
10 shall serve not more than three consecutive terms. A legislative member who  
11 is appointed as a member of the Committee shall retain the position for the  
12 term appointed to the Committee even if the member is subsequently not  
13 reelected to the General Assembly during the member's term on the  
14 Committee.

15 (d) Chair. The members shall elect their own chair.

16 (e) Quorum. A quorum of the Committee shall consist of four members.

17 (f) Staff and services. The Committee is authorized to use the staff and  
18 services of appropriate State Agencies and Departments as necessary to  
19 conduct investigations of applicants.

20 (g) Confidentiality. Except as provided in subsection (h) of this section,

21 proceedings of the Committee, including the names of candidates considered

1 ~~1. The Committee shall be confidential. The provisions of 1 V.S.A. § 317(e)~~  
2 Governor, shall be confidential. The provisions of 1 V.S.A. § 317(e)  
3 (expiration of Public Records Act exemptions) shall not apply to the  
4 exemptions or confidentiality provisions in this subsection.

5 (h) Public information. The following shall be public:

6 (1) operating procedures of the Committee;

7 (2) standard application forms and any other forms used by the  
8 Committee, provided they do not contain personal information about a  
9 candidate or confidential proceedings;

10 (3) all proceedings of the Committee prior to the receipt of the first  
11 candidate's completed application; and

12 (4) at the time the Committee sends the names of the candidates to the  
13 Governor, the total number of applicants for the vacancies and the total  
14 number of candidates sent to the Governor.

15 (i) Reimbursement. Legislative members of the Committee shall be  
16 entitled to per diem compensation and reimbursement for expenses in  
17 accordance with 2 V.S.A. § 23. Compensation and reimbursement shall be  
18 paid from the legislative appropriation.

19 (j) Duties.

20 (1) When a vacancy occurs, the Committee shall review applicants to  
21 determine which are well qualified for the Board and submit those names to



1 ~~the Governor. The Committee shall submit to the Governor a summary of the~~  
2 qualifications and experience of each candidate whose name is submitted to  
3 the Governor together with any further information relevant to the matter.

4 (2) An applicant for the position of member of the Environmental  
5 Review Board shall not be required to be an attorney. If the candidate is  
6 admitted to practice law in Vermont or practices a profession requiring  
7 licensure, certification, or other professional regulation by the State, the  
8 Committee shall submit the candidate's name to the Court Administrator or the  
9 applicable State professional regulatory entity, and that entity shall disclose to  
10 the Committee any professional disciplinary action taken or pending  
11 concerning the candidate.

12 (3) Candidates shall be sought who have experience, expertise, or skills  
13 relating to one or more of the following areas: environmental science, natural  
14 resources law and policy, land use planning, community planning, or  
15 environmental justice.

16 (4) The Committee shall ensure a candidate possesses the following  
17 attributes:

18 (A) Integrity. A candidate shall possess a record and reputation for  
19 excellent character and integrity.

20 (B) Impartiality. A candidate shall exhibit an ability to make judicial  
21 determinations in a manner free of bias.

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~~(C) Availability. A candidate shall have adequate time to dedicate to~~

(D) Availability. A candidate shall have adequate time to dedicate to  
the position.

Sec. 5. 10 V.S.A. § 6025 is amended to read:

§ 6025. RULES

(a) The Board may adopt rules of procedure for itself and the District  
Commissions. The Board shall adopt rules of procedure that govern appeals  
and other contested cases before it that are consistent with this chapter. The  
Board's rules of procedure for approving regional plans and regional plan  
maps shall ensure that the maps are consistent with legislative intent.

\* \*

Sec. 6. 10 V.S.A. § 6027 is amended to read:

§ 6027. POWERS

(a) The Board and District Commissions ~~each shall have supervisory~~  
authority in environmental matters respecting projects within their jurisdiction  
and shall apply their independent judgment in determining facts and  
interpreting law. Each shall have the power, with respect to any matter within  
its jurisdiction, to:

(1) administer oaths, take depositions, subpoena and compel the  
~~attendance of witnesses, and require the production of evidence,~~

1 ~~(2) allow parties to enter upon lands of other parties for the purposes of~~  
2 inspecting and investigating conditions related to the matter before the Board  
3 or Commission;

4 (3) enter upon lands for the purpose of conducting inspections,  
5 investigations, examinations, tests, and site evaluations as it deems necessary  
6 to verify information presented in any matter within its jurisdiction; and

7 (4) apply for and receive grants from the federal government and from  
8 other sources.

9 (b) The powers granted under this chapter are additional to any other  
10 powers ~~which~~ that may be granted by other legislation.

11 (c) ~~The Natural Resources Board~~ may designate or establish ~~such~~ regional  
12 offices as it deems necessary to implement the provisions of this chapter and  
13 the rules adopted ~~hereunder~~. ~~The Natural Resources Board~~ may designate or  
14 require a regional planning commission to receive applications, provide  
15 administrative assistance, perform investigations, and make recommendations.

16 (d) At the request of a District Commission, if the Board Chair determines  
17 that the workload in the requesting district is likely to result in unreasonable  
18 delays or that the requesting District Commission is disqualified to hear a case,  
19 the Chair may authorize the District Commission of another district to sit in  
20 ~~the requesting district to consider one or more applications.~~

1 ~~(c) The Natural Resources Board may, by rule, authorize the board to~~

2 conducted with specified State agencies or specified municipalities.

3 (f) ~~The Board shall publish its decisions online.~~ The Board may publish  
4 online or contract to publish annotations and indices of its decisions, the  
5 decisions of the Environmental Division of the Superior Court and the  
6 Supreme Court, and the text of those decisions. The published product shall  
7 be available at a reasonable rate to the general public and at a reduced rate to  
8 libraries and governmental bodies within the State.

9 (g) ~~The Natural Resources Board shall manage the process by which land~~  
10 use permits are issued under section 0986 of this title, may initiate  
11 enforcement on related matters under the provisions of chapters 201 and 211  
12 of this title, and may ~~petition the Environmental Division~~ initiate and hear  
13 petitions for revocation of land use permits issued under this chapter. Grounds  
14 for revocation are:

15 (1) noncompliance with this chapter, rules adopted under this chapter, or  
16 an order that is issued that relates to this chapter;

17 (2) noncompliance with any permit or permit condition;

18 (3) failure to disclose all relevant and material facts in the application or  
19 during the permitting process;

20 ~~(4) misrepresentation of any relevant and material fact at any time,~~

1 ~~(5) failure to pay a penalty or other sum owed pursuant to, or other~~  
2 failure to comply with, court order, stipulation agreement, schedule of  
3 compliance, or other order issued under Vermont statutes and related to the  
4 permit; or

5 (6) failure to provide certification of construction costs, as required  
6 under subsection 6083a(a) of this title, or failure to pay supplemental fees as  
7 required under that section.

8 (h) ~~The Natural Resources Board may hear appeals of fee refund requests~~  
9 under section 6083a of this title. The Board shall hear appeals of decisions  
10 made by District Commissions and district coordinators.

11 (i) The Chair, subject to the direction of the Board, shall have general  
12 charge of the offices and employees of the Board and the offices and  
13 employees of the District Commissions.

14 (j) ~~The Natural Resources Board may participate as a party in all matters~~  
15 ~~before the Environmental Division that relate to land use permits issued under~~  
16 ~~this chapter~~ The Board shall review applications for a planned growth area  
17 and approve or disapprove based on whether a municipal application  
18 demonstrates compliance with the requirements of section 6032 of this title.  
19 The Board shall produce guidelines for municipalities seeking to obtain the

20 planned growth area.

1 ~~(1) The Board shall review and approve the future land use maps~~  
2 developed by the regional planning commissions pursuant to 24 V.S.A.  
3 § 4348a(a)(2).

4 \* \* \*

5 Sec. 7. 10 V.S.A. § 6022 is amended to read:

6 § 6022. PERSONNEL

7 (a) Regular personnel. The Board may appoint legal counsel, scientists,  
8 engineers, experts, investigators, temporary employees, and administrative  
9 personnel as it finds necessary in carrying out its duties, unless the Governor  
10 shall otherwise provide in providing personnel to assist the District  
11 Commissions and in investigating matters within its jurisdiction.

12 (b) Executive Director. The Board shall appoint an Executive Director.  
13 The Director shall be a full-time State employee, shall be exempt from the  
14 State classified system, and shall serve at the pleasure of the Board. The  
15 Director shall be responsible for:

16 (1) supervising and administering the operation and implementation of  
17 this chapter and the rules adopted by the Board as directed by the Board;

18 (2) assisting the Board in its duties and administering the requirements  
19 of this chapter;

20 (3) employing such staff as may be required to carry out the functions of  
21 the Board; and

1 ~~(4) preparing an annual budget for submission to the Board.~~

2 Sec. 8. 10 V.S.A. § 6084 is amended to read:

3 § 6084. NOTICE OF APPLICATION; HEARINGS; COMMENCEMENT OF  
4 REVIEW

5 (a) ~~On or before the date of~~ Upon the filing of an application with the  
6 District Commission, the applicant District Commission shall send, by  
7 electronic means, notice ~~and a copy~~ of the ~~initial~~ application to the owner of  
8 the land if the applicant is not the owner; the municipality in which the land is  
9 located; the municipal and regional planning commissions for the municipality  
10 in which the land is located; the Vermont Agency of Natural Resources; and  
11 any adjacent Vermont municipality and municipal and regional planning  
12 commission if the land is located on a municipal or regional boundary. The  
13 ~~applicant shall furnish to the District Commission the names of those furnished~~  
14 ~~notice by affidavit, and shall post~~ send by electronic means a copy of the  
15 notice ~~in~~ to the town clerk's office of the town or towns in which the project  
16 lies. The town clerk shall post the notice in the town office. The applicant  
17 shall also provide a list of adjoining landowners to the District Commission.  
18 Upon request and for good cause, the District Commission may authorize the  
19 applicant to provide a partial list of adjoining landowners in accordance with  
20 Board rules.

21

1 ~~(e) Any notice for a major or minor application, as required by this section,~~  
2 shall also be published by the District Commission in a local newspaper  
3 generally circulating in the area where the development or subdivision is  
4 located ~~and on the Board's website~~ not more than ~~ten~~ 10 days after receipt of a  
5 complete application.

6 \* \* \*

7 Sec. 9. 10 V.S.A. § 6080(f) is amended to read:

8 (f) Prior to any appeal of a permit issued by a District Commission, any  
9 aggrieved party may file a request for a stay of construction with the District  
10 Commission together with a declaration of intent to appeal the permit. The  
11 stay request shall be automatically granted for seven days upon receipt and  
12 notice to all parties and pending a ruling on the merits of the stay request  
13 pursuant to Board rules. The automatic stay shall not extend beyond the 30-  
14 day appeal period unless a valid appeal has been filed with the ~~Environmental~~  
15 ~~Division Board~~. The automatic stay may be granted only once under this  
16 subsection during the 30-day appeal period. Following appeal of the District  
17 Commission decision, any stay request must be filed with the ~~Environmental~~  
18 ~~Division pursuant to the provisions of chapter 220 of this title Board~~.  
19 District Commission shall not stay construction authorized by a permit  
20 ~~processed under the Board's minor application procedures.~~



1 ~~See 10 V.S.A. § 6089 is amended to read:~~

2 § 6089. APPEALS

3 Appeals of any act or decision of a District Commission under this chapter  
4 or a district coordinator under subsection 6007(c) of this title shall be made to  
5 the Environmental Division in accordance with chapter 220 of this title. For  
6 the purpose of this section, a decision of the Chair of a District Commission  
7 under section 6001e of this title on whether action has been taken to  
8 circumvent the requirements of this chapter shall be considered an act or  
9 decision of the District Commission.

10 (a)(1) Appeals to the Board. An appeal of any act or decision of a District  
11 Commission shall be to the Board and shall be accompanied by a fee  
12 prescribed by section 6083a of this title.

13 (2) Participation before District Commission. A person shall not appeal  
14 an act or decision that was made by a District Commission unless the person  
15 was granted party status by the District Commission pursuant to subdivision  
16 6085(c)(1)(E) of this title, participated in the proceedings before the District  
17 Commission, and retained party status at the end of the District Commission  
18 proceedings. In addition, the person may only appeal those issues under the  
19 criteria with respect to which the person was granted party status. However,  
20 notwithstanding these limitations, a person may appeal an act or decision of  
21 the District Commission if the Board determines that.

1 (A) there was a procedural defect that prevented the person from  
2 obtaining party status or participating in the proceeding;

3 (B) the decision being appealed is the grant or denial of party status;  
4 or

5 (C) some other condition exists that would result in manifest injustice  
6 if the person's right to appeal was disallowed.

7 (3) Filing the appeal. An appellant to the Board, under this section,  
8 shall file with the notice of appeal a statement of the issues to be addressed in  
9 the appeal, a summary of the evidence that will be presented, and a  
10 preliminary list of witnesses who will testify on behalf of the appellant.

11 (4) De novo hearing. The Board shall hold a de novo hearing on all  
12 findings requested by any party that files an appeal or cross appeal, according  
13 to the rules of the Board. The hearing shall be held in the municipality where  
14 the project subject to the appeal is located, if possible, or as close as possible.

15 (5) Notice of appeal. Notice of appeal shall be filed with the Board  
16 within 30 days following the act or decision by the District Commission. The  
17 Board shall notify the parties who had party status before the District  
18 Commission of the filing of any appeal.

19 (6) Prehearing discovery.

20 (A) A party may obtain discovery of expert witnesses who may  
21 provide testimony relevant to the appeal. Expert witness prehearing testimony

1 ~~shall be in accordance with the Vermont Rules of Evidence. The use of~~  
2 discovery for experts shall comply with the requirements in the Vermont Rules  
3 of Civil Procedure 26–37.

4 (B) Interrogatories served on nonexpert witnesses shall be limited to  
5 discovery of the identity of witnesses and a summary of each witness’  
6 testimony, except by order of the Board for cause shown. Interrogatories  
7 served on expert witnesses shall be in accordance with the Vermont Rules of  
8 Civil Procedure.

9 (C) Parties may submit requests to produce and requests to enter  
10 upon land pursuant to the Vermont Rule of Civil Procedure 34.

11 (D) Parties may not take depositions of witnesses, except by order of  
12 the Board for cause shown.

13 (E) The Board may require a party to supplement, as necessary, any  
14 prehearing testimony that is provided.

15 (b) Prior decisions. Prior decisions of the former Environmental Board,  
16 the Water Resources Board, the Waste Facilities Panel, and the Environmental  
17 Division of the Superior Court shall be given the same weight and  
18 consideration as prior decisions of the Environmental Review Board.

19 (c) Appeals to Supreme Court. An appeal from a decision of the Board  
20 under subsection (a) of this section shall be to the Supreme Court by a party, as  
21 set forth in subsection 0085(c) of this title.

1 ~~(d) Objections. No objection that has not been raised before the Board~~  
2 ~~may be considered by the Supreme Court, unless the failure or neglect to urge~~  
3 ~~such objection shall be excused because of extraordinary circumstances.~~

4 (e) Appeals of decisions. An appeal of a decision by the Board shall be  
5 allowed pursuant to 3 V.S.A. § 815, including the unreasonableness or  
6 insufficiency of the conditions attached to a permit. An appeal from the  
7 District Commission shall be allowed for any reason, except no appeal shall be  
8 allowed when an application has been granted and no hearing was requested.

9 (f) Precedent. Precedent from the former Environmental Board and of the  
10 Environmental Review Board that interpret this chapter shall be provided the  
11 same deference by the Supreme Court as precedents accorded to other  
12 Executive Branch agencies charged with administering their enabling act. On  
13 appeal to the Supreme Court from the Environmental Review Board, decisions  
14 of the Environmental Review Board interpreting this act also shall be accorded  
15 that deference.

16 (g) Clearly erroneous. Upon appeal to the Supreme Court, the Board's  
17 findings of fact shall be accepted unless clearly erroneous.

18 (h) Completion of case. A case shall be deemed completed when the  
19 Board enters a final decision even though that decision is appealed to the  
20 Supreme Court and remanded by that Court.

1 ~~(i) Court of record; jurisdiction. The Board shall have the powers of a~~  
2 court of record in the determination and adjudication of all matters within its  
3 jurisdiction. It may initiate proceedings on any matter within its jurisdiction.  
4 It may render judgments and enforce the same by any suitable process issuable  
5 by courts in this State. An order issued by the Board on any matter within its  
6 jurisdiction shall have the effect of a judicial order. The Board's jurisdiction  
7 shall include:

8 (1) the issuance of declaratory rulings on the applicability of this  
9 chapter and rules or orders issued under this chapter, pursuant to 3 V.S.A.  
10 § 808; and

11 (2) the issuance of decisions on appeals pursuant to sections 6007 and  
12 6089 of this title.

13 Sec. 11. 10 V.S.A. § 6007 is amended to read:

14 § 6007. ACT 250 DISCLOSURE STATEMENT; JURISDICTIONAL  
15 DETERMINATION

16 \* \* \*

17 (c) With respect to the partition or division of land, or with respect to an  
18 activity that might or might not constitute development, any person may  
19 submit to the district coordinator an "Act 250 Disclosure Statement" and other  
20 information required by the rules of the Board and may request a jurisdictional  
21 opinion from the district coordinator concerning the applicability of this

1 chapter. If a requestor wishes a final determination to be rendered on the  
2 question, the district coordinator, at the expense of the requestor and in  
3 accordance with rules of the Board, shall publish notice of the issuance of the  
4 opinion in a local newspaper generally circulating in the area where the land  
5 that is the subject of the opinion is located and shall serve the opinion on all  
6 persons listed in subdivisions 6085(c)(1)(A) through (D) of this title. In  
7 addition, the requestor who is seeking a final determination shall consult with  
8 the district coordinator and obtain approval of a subdivision 6085(c)(1)(E) list  
9 of persons who shall be notified by the district coordinator because they are  
10 adjoining property owners or other persons who would be likely to be able to  
11 demonstrate a particularized interest protected by this chapter that may be  
12 affected by an act or decision by a District Commission.

13 (d) A person who seeks review of a jurisdictional opinion issued by a  
14 district coordinator shall bring to the Board an appeal of issues addressed in  
15 the opinion.

16 (1) The appellant shall provide notice of the filing of an appeal to each  
17 person entitled to notice under subdivisions 6085(c)(1)(A) through (D) of this  
18 title and to each person on an approved subdivision 6085(c)(1)(E) list.

19 (2) Failure to appeal within 30 days following the issuance of the  
20 jurisdictional opinion shall render the decision of the district coordinator under

21

1 ~~unless the underlying jurisdictional opinion was not properly served on~~  
2 persons listed in subdivisions 6085(c)(1)(A) through (D) of this title and on  
3 persons on a subdivision 6085(c)(1)(E) list approved under subsection (c) of  
4 this section.

5 Sec. 12. 10 V.S.A. § 6083a is amended to read:

6 § 6083a. ACT 250 FEES

7 \* \* \*

8 (i) All persons filing an appeal, cross appeal, or petition from a District  
9 Commission decision or jurisdictional determination shall pay a fee of  
10 \$295.00, plus publication costs.

11 (j) Any municipality filing an application for a planned growth area  
12 designation shall pay a fee of \$250.00.

13 (k) Any regional planning commission filing a regional plan or future land  
14 use map to be reviewed by the Board shall pay a fee of \$250.00.

15 \* \* \* Appeals \* \* \*

16 Sec. 13. 10 V.S.A. chapter 220 is amended to read:

17 CHAPTER 220. CONSOLIDATED ENVIRONMENTAL APPEALS

18 § 8501. PURPOSE

19 It is the purpose of this chapter to:

20 (1) consolidate existing appeal routes for municipal zoning and  
21 ~~subdivision decisions and acts or decisions of the Secretary of Natural~~

1 ~~Resources, district environmental coordinators, and District Commissions,~~

2 excluding enforcement actions brought pursuant to chapters 201 and 211 of  
3 this title and the adoption of rules under 3 V.S.A. chapter 25;

4 (2) standardize the appeal periods, the parties who may appeal these acts  
5 or decisions, and the ability to stay any act or decision upon appeal, taking into  
6 account the nature of the different programs affected;

7 (3) ~~encourage people to get involved in the Act 250 permitting process~~  
8 ~~at the initial stages of review by a District Commission by requiring~~  
9 ~~participation as a prerequisite for an appeal of a District Commission decision~~  
10 ~~to the Environmental Division;~~

11 (4) ~~assure~~ ensure that clear appeal routes exist for acts and decisions of  
12 the Secretary of Natural Resources; and

13 (5)(4) consolidate appeals of decisions related to renewable energy  
14 generation plants and telecommunications facilities with review under,  
15 respectively, 30 V.S.A. §§ 248 and 248a, with appeals and consolidation of  
16 proceedings pertaining to telecommunications facilities occurring only while  
17 30 V.S.A. § 248a remains in effect.

18 § 8502. DEFINITIONS

19 As used in this chapter:

20 (1) “District Commission” means a District Environmental Commission  
21 ~~established under Chapter 151 of this title. [Repealed.]~~



1 ~~(2) "District coordinator" means a district environmental coordinator~~  
2 ~~attached to a District Commission established under chapter 151 of this title.~~

3 ~~[Repealed.]~~

4 (3) "Environmental Court" or "Environmental Division" means the  
5 Environmental Division of the Superior Court established by 4 V.S.A. § 30.

6 (4) ~~Natural Resources~~ Environmental Review Board or "Board"  
7 means the Board established under chapter 151 of this title.

8 (5) "Party by right" means the following:

9 (A) the applicant;

10 (B) the landowner, if the applicant is not the landowner;

11 (C) the municipality in which the project site is located and the  
12 municipal and regional planning commissions for that municipality;

13 (D) if the project site is located on a boundary, any Vermont  
14 municipality adjacent to that border and the municipal and regional planning  
15 commissions for that municipality;

16 (E) the solid waste management district in which the land is located,  
17 if the development or subdivision constitutes a facility pursuant to subdivision  
18 6602(10) of this title; and

19 (F) any State agency affected by the proposed project.

20 (6) "Person" means any individual; partnership; company; corporation;  
21 ~~association, joint venture, trust, municipality, the State of Vermont or any~~

1 ~~agency, department, or subdivision of the State; any federal agency; or any~~  
2 other legal or commercial entity.

3 (7) "Person aggrieved" means a person who alleges an injury to a  
4 particularized interest protected by the provisions of law listed in section 8503  
5 of this title, attributable to an act or decision by a ~~district coordinator, District~~  
6 ~~Commission, the Secretary, or the Environmental Division that can be~~  
7 redressed by the Environmental Division or the Supreme Court.

8 (8) "Secretary" means the Secretary of Natural Resources or the  
9 Secretary's duly authorized representative. As used in this chapter,  
10 "Secretary" ~~shall also mean~~ means the Commissioner of Environmental  
11 Conservation, the Commissioner of Forests, Parks and Recreation, and the  
12 Commissioner of Fish and Wildlife, with respect to those statutes that refer to  
13 the authority of that commissioner or department.

14 § 8503. APPLICABILITY

15 (a) This chapter shall govern all appeals of an act or decision of the  
16 Secretary, excluding enforcement actions under chapters 201 and 211 of this  
17 title and rulemaking, under the following authorities and under the rules  
18 adopted under those authorities:

19 \* \* \*

20 ~~(b) This chapter shall govern:~~

1 ~~(1) all appeals from an act or decision of a District Commission under~~  
2 ~~chapter 151 of this title, excluding appeals of application fee refund requests;~~

3 ~~(2) appeals from an act or decision of a district coordinator under~~  
4 ~~subsection 6007(c) of this title;~~

5 ~~(3) appeals from findings of fact and conclusions of law issued by the~~  
6 ~~Natural Resources Board in its review of a designated growth center for~~  
7 ~~conformance with the criteria of subsection 6086(a) of this title, pursuant to~~  
8 ~~authority granted at 24 V.S.A. § 2793e(f). [Repealed.]~~

9 ~~(c) This chapter shall govern all appeals arising under 24 V.S.A.~~  
10 ~~chapter 117, the planning and zoning chapter.~~

11 ~~(d) This chapter shall govern all appeals from an act or decision of the~~  
12 ~~Environmental Division under this chapter.~~

13 ~~(e) This chapter shall not govern appeals from rulemaking decisions by the~~  
14 ~~Natural Resources Environmental Review Board under chapter 151 of this title~~  
15 ~~or enforcement actions under chapters 201 and 211 of this title.~~

16 ~~(f) This chapter shall govern all appeals of acts or decisions of the~~  
17 ~~legislative body of a municipality arising under 24 V.S.A. chapter 61,~~  
18 ~~subchapter 10, relating to the municipal certificate of approved location for~~  
19 ~~salvage yards.~~

20 ~~(g) This chapter shall govern all appeals of an act or decision of the~~  
21 ~~Secretary of Natural Resources that a solid waste implementation plan for a~~

1 ~~municipality proposed under 24 V.S.A. § 2202a conforms with the State Solid~~

2 ~~Waste Implementation Plan adopted pursuant to section 6604 of this title.~~

3 ~~§ 8504. APPEALS TO THE ENVIRONMENTAL DIVISION~~

4 ~~(a) Act 250 and Agency appeals. Within 30 days of the date of following~~  
5 ~~the act or decision, any person aggrieved by an act or decision of the~~  
6 ~~Secretary, a District Commission, or a district coordinator under the provisions~~  
7 ~~of law listed in section 2503 of this title, or any party by right, may appeal to~~  
8 ~~the Environmental Division, except for an act or decision of the Secretary~~  
9 ~~under subdivision 6086b(3)(E) of this title or governed by section 8506 of this~~  
10 ~~title.~~

11 ~~\* \* \*~~

12 ~~(c) Notice of the filing of an appeal.~~

13 ~~(1) Upon filing an appeal from an act or decision of the District~~  
14 ~~Commission, the appellant shall notify all parties who had party status as of~~  
15 ~~the end of the District Commission proceeding, all friends of the Commission,~~  
16 ~~and the Natural Resources Board that an appeal is being filed. In addition, the~~  
17 ~~appellant shall publish notice not more than 10 days after providing notice as~~  
18 ~~required under this subsection, at the appellant's expense, in a newspaper of~~  
19 ~~general circulation in the area of the project that is the subject of the decision.~~

20 ~~[Repealed.]~~

21

1 ~~(d) Requirement to participate before the District Commission or the~~  
2 Secretary.

3 ~~(1) Participation before District Commission.—An aggrieved person~~  
4 ~~shall not appeal an act or decision that was made by a District Commission~~  
5 ~~unless the person was granted party status by the District Commission pursuant~~  
6 ~~to subdivision 6085(e)(1)(E) of this title, participated in the proceedings before~~  
7 ~~the District Commission, and retained party status at the end of the District~~  
8 ~~Commission proceedings.—In addition, the person may only appeal those issues~~  
9 ~~under the criteria with respect to which the person was granted party status.~~  
10 ~~However, notwithstanding these limitations, an aggrieved person may appeal~~  
11 ~~an act or decision of the District Commission if the Environmental judge~~  
12 ~~determines that:~~

13 ~~(A) there was a procedural defect that prevented the person from~~  
14 ~~obtaining party status or participating in the proceeding;~~

15 ~~(B) the decision being appealed is the grant or denial of party status;~~

16 ~~or~~

17 ~~(C) some other condition exists that would result in manifest injustice~~  
18 ~~if the person's right to appeal was disallowed. [Repealed.]~~

19 (2) Participation before the Secretary.

20 \* \* \*

21 ~~(c) Act 250 jurisdictional determinations by a district coordinator.~~

1 ~~(1) The appeal shall provide notice of the filing of an appeal to each~~  
2 ~~person entitled to notice under subdivisions 6085(c)(1)(A) through (D) of this~~  
3 ~~title, to each person on an approved subdivision 6085(c)(1)(E) list, and to the~~  
4 ~~Natural Resources Board.~~

5 ~~(2) Failure to appeal within the time required under subsection (a) of~~  
6 ~~this section shall render the decision of the district coordinator under~~  
7 ~~subsection 6007(c) of this title the final determination regarding jurisdiction~~  
8 ~~under chapter 151 of this title unless the underlying jurisdictional opinion was~~  
9 ~~not properly served on persons listed in subdivisions 6085(c)(1)(A) through~~  
10 ~~(D) of this title and on persons on a subdivision 6085(c)(1)(E) list approved~~  
11 ~~under subsection 6007(c) of this title. [Repealed.]~~

12 \* \* \*

13 (g) Consolidated appeals. The Environmental Division may consolidate or  
14 coordinate different appeals where those appeals all relate to the same project.

15 \* \* \*

16 (i) Deference to Agency technical determinations. In the adjudication of  
17 appeals relating to land use permits under chapter 151 of this title, technical  
18 determinations of the Secretary shall be accorded the same deference as they  
19 are accorded by a District Commission under subsection 6086(d) of this title.  
20 [Repealed.]

21

1 ~~(c) Limitations on appeals. Notwithstanding any other provision of this~~  
2 ~~section,~~

3 ~~(1) there shall be no appeal from a District Commission decision when~~  
4 ~~the Commission has issued a permit and no hearing was requested or held, or~~  
5 ~~no motion to alter was filed following the issuance of an administrative~~  
6 ~~amendment;~~

7 ~~(2) a municipal decision regarding whether a particular application~~  
8 ~~qualifies for a recorded hearing under 24 V.S.A. § 4471(b) shall not be subject~~  
9 ~~to appeal;~~

10 ~~(3) if a District Commission issues a partial decision under subsection~~  
11 ~~6086(b) of this title, any appeal of that decision must be taken within 30 days~~  
12 ~~of the date of that decision.~~

13 ~~(l) Representation. The Secretary may represent the Agency of Natural~~  
14 ~~Resources in all appeals under this section. The Chair of the Natural~~  
15 ~~Resources Board may represent the Board in any appeal under this section,~~  
16 ~~unless the Board directs otherwise. If more than one State agency other than~~  
17 ~~the Board, either appeals or seeks to intervene in an appeal under this section,~~  
18 ~~only the Attorney General may represent the interests of those agencies of the~~  
19 ~~State in the appeal.~~

1 ~~(m) Precedent. Prior decisions of the Environmental Board, Water~~  
2 Resources Board, and Waste Facilities Panel shall be given the same weight  
3 and consideration as prior decisions of the Environmental Division.

4 (n) Intervention. Any person may intervene in a pending appeal if that  
5 person:

6 (1) appeared as a party in the action appealed from and retained party  
7 status;

8 (2) is a party by right;

9 (3) is the Natural Resources Board; [Repealed.]

10 (4) is a person aggrieved, as defined in this chapter;

11 (5) qualifies as an “interested person,” as established in 24 V.S.A.

12 § 4465, with respect to appeals under 24 V.S.A. chapter 117; or

13 (6) meets the standard for intervention established in the Vermont Rules  
14 of Civil Procedure.

15 (o) With respect to review of an act or decision of the Secretary pursuant to  
16 3 V.S.A. § 2809, the Division may reverse the act or decision or amend an  
17 allocation of costs to an applicant only if the Division determines that the act,  
18 decision, or allocation was arbitrary, capricious, or an abuse of discretion. In  
19 the absence of such a determination, the Division shall require the applicant to  
20 pay the Secretary all costs assessed pursuant to 3 V.S.A. § 2809.



1 ~~(p) Administrative record. The Secretary shall certify the administrative~~  
2 record as defined in chapter 170 of this title and shall transfer a certified copy  
3 of that record to the Environmental Division when:

4 (1) there is an appeal of an act or decision of the Secretary that is based  
5 on that record; or

6 (2) there is an appeal of a decision of a District Commission, and the  
7 applicant used a decision of the Secretary based on that record to create a  
8 presumption under a criterion of subsection 6086(a) of this title that is at issue  
9 in the appeal.

10 § 8505. APPEALS TO THE SUPREME COURT

11 (a) Any person aggrieved by a decision of the Environmental Division  
12 pursuant to this subchapter, any party by right, or any person aggrieved by a  
13 decision of the Environmental Review Board may appeal to the Supreme  
14 Court within 30 days of following the date of the entry of the order or  
15 judgment appealed from, provided that:

16 (1) the person was a party to the proceeding before the Environmental  
17 Division; or

18 (2) the decision being appealed is the denial of party status; or

19 (3) the Supreme Court determines that:

20 (A) there was a procedural defect that prevented the person from  
21 participating in the proceeding; or

1 ~~(B) some other condition exists that would result in manifest injustice~~  
2 if the person's right to appeal were disallowed.

3 \* \* \*

4 \* \* \* Environmental Division \* \* \*

5 Sec. 14. 4 V.S.A. § 34 is amended to read:

6 § 34. JURISDICTION; ENVIRONMENTAL DIVISION

7 The Environmental Division shall have:

8 (1) jurisdiction of matters arising under 10 V.S.A. chapters 201 and 220;

9 and

10 (2) jurisdiction of matters arising under 24 V.S.A. chapter 61,

11 subchapter 12 and 24 V.S.A. chapter 117; ~~and~~

12 ~~(3) original jurisdiction to revoke permits under 10 V.S.A. chapter 151.~~

13 \* \* \* Transition; Revision Authority; Effective Dates \* \* \*

14 Sec. 15. ENVIRONMENTAL REVIEW BOARD POSITIONS;

15 APPROPRIATION

16 (a) The following new positions are created at the Environmental Review  
17 Board for the purposes of carrying out this act:

18 (1) one Staff Attorney 1; and

19 (2) four half-time Environmental Review Board members.

20 (b) The sum of \$384,000.00 is appropriated to the Environmental Review

21 Board from the General Fund in fiscal year 2025 for the positions established

1 ~~in subsection (c) of this section and for additional operating costs required to~~  
2 implement the appeals process established in this act.

3 Sec. 16. NATURAL RESOURCES BOARD TRANSITION

4 (a) The Governor shall appoint the members of Environmental Review  
5 Board on or before July 1, 2025, and the terms of any Natural Resources  
6 Board member not appointed consistent with the requirements of 10 V.S.A.  
7 § 6021(a)(1)(A) or (B) shall expire on that day.

8 (b) As of July 1, 2025, all appropriations and employee positions of the  
9 Natural Resources Board are transferred to the Environmental Review Board.

10 (c) The Environmental Review Board shall adopt rules of procedure for its  
11 hearing process pursuant to 10 V.S.A. § 6025(a) on or before July 1, 2026.

12 Sec. 17. ENVIRONMENTAL DIVISION; CONTINUED JURISDICTION

13 Notwithstanding the repeal of its jurisdictional authority to hear appeals  
14 relative to land use permits under Sec. 12 of this act, the Environmental  
15 Division of the Superior Court shall continue to have jurisdiction to complete  
16 its consideration of any appeal that is pending before it as of July 1, 2026 if the  
17 act or appeal has been filed. The Environmental Review Board shall have  
18 authority to be a party in any appeals pending under this section until July  
19 2026.

1 Sec. 18. REVISION AUTHORITY

2 In preparing the Vermont Statutes Annotated for publication in 2024, the  
3 Office of Legislative Counsel shall replace all references to the “Natural  
4 Resources Board” with the “Environmental Review Board” in Title 3, Title 10,  
5 Title 24, Title 25, Title 30, and Title 32.

6 \* \* \* Forest Blocks \* \* \*

7 Sec. 19. 10 V.S.A. § 6001 is amended to read:

8 § 6001. DEFINITIONS

9 As used in this chapter:

10 \* \* \*

11 (45) “Connecting habitat” means land or water, or both, that links  
12 patches of habitat within a landscape, allowing the movement, migration, and  
13 dispersal of wildlife and plants and the functioning of ecological processes. A  
14 connecting habitat may include features including recreational trails and  
15 improvements constructed for farming, logging, or forestry purposes.

16 (46) “Forest block” means a contiguous area of forest in any stage of  
17 succession and not currently developed for nonforest use. A forest block may  
18 include features including recreational trails, wetlands, or other natural  
19 features that do not themselves possess tree cover and improvements  
20 constructed for farming, logging, or forestry purposes.

1 (47) "Fragmentation" means the division or conversion of a forest block  
2 or connecting habitat by the separation of a parcel into two or more parcels;  
3 the construction, conversion, relocation, or enlargement of any building or  
4 other structure, or of any mining, excavation, or landfill; and any change in the  
5 use of any building or other structure, or land, or extension of use of land.  
6 However, fragmentation does not include the division or conversion of a forest  
7 block or connecting habitat by a recreational trail or by improvements  
8 constructed for farming, logging, or forestry purposes below the elevation of  
9 2,500 feet.

10 (48) "Habitat" means the physical and biological environment in which  
11 a particular species of plant or wildlife lives.

12 (49) As used in subdivisions (45), (46), and (47) of this section,  
13 "recreational trail" means a corridor that is not paved and that is used for  
14 recreational purposes, including hiking, walking, bicycling, cross-country  
15 skiing, snowmobiling, all-terrain vehicle riding, and horseback riding.

16 Sec. 20. 10 V.S.A. § 6086(a)(8) is amended to read:

17 (8) Ecosystem protection; scenic beauty; historic sites. Will not have an  
18 undue adverse effect on the scenic or natural beauty of the area, aesthetics,  
19 historic sites, or rare and irreplaceable natural areas.

20 (A) Necessary wildlife habitat and endangered species. A permit  
21 will not be granted if it is demonstrated by any party opposing the applicant

1 ~~that a development or subdivision will destroy or significantly imperil~~

2 necessary wildlife habitat or any endangered species; and

3 (i) the economic, social, cultural, recreational, or other benefit to  
4 the public from the development or subdivision will not outweigh the  
5 economic, environmental, or recreational loss to the public from the  
6 destruction or imperilment of the habitat or species; or

7 (ii) all feasible and reasonable means of preventing or lessening  
8 the destruction, diminution, or imperilment of the habitat or species have not  
9 been or will not continue to be applied; or

10 (iii) a reasonably acceptable alternative site is owned or controlled  
11 by the applicant which would allow the development or subdivision to fulfill  
12 its intended purpose.

13 (B) Forest blocks.

14 (i) A permit will not be granted for a development or subdivision  
15 within or partially within a forest block unless the applicant demonstrates that:

16 (I) the development or subdivision will avoid fragmentation of  
17 the forest block through the design of the project or the location of project  
18 improvements, or both;

19 (II) it is not feasible to avoid fragmentation of the forest block  
20 and the design of the development or subdivision minimizes fragmentation of  
21 the forest block, or

1 ~~(III) it is not feasible to avoid or minimize fragmentation of the~~  
2 forest block and the applicant will mitigate the fragmentation in accordance  
3 with section 6094 of this title.

4 (i) Methods for avoiding or minimizing the fragmentation of a  
5 forest block may include:

6 (I) Locating buildings and other improvements and operating  
7 the project in a manner that avoids or minimizes incursion into and disturbance  
8 of the forest block, including clustering of buildings and associated  
9 improvements.

10 (II) Designing roads, driveways, and utilities that serve the  
11 development or subdivision to avoid or minimize fragmentation of the forest  
12 block. Such design may be accomplished by following or sharing existing  
13 features on the land such as roads, tree lines, stone walls, and fence lines.

14 (C) Connecting habitat.

15 (i) A permit will not be granted for a development or subdivision  
16 unless the applicant demonstrates that:

17 (I) the development or subdivision will avoid fragmentation of  
18 a habitat connector through the design of the project or the location of project  
19 improvements, or both,

1 ~~(II) it is not feasible to avoid fragmentation of the habitat~~  
2 connector and the design of the development or subdivision minimizes  
3 fragmentation of the connector; or

4 (III) it is not feasible to avoid or minimize fragmentation of the  
5 habitat connector and the applicant will mitigate the fragmentation in  
6 accordance with section 6094 of this title.

7 (ii) Methods for avoiding or minimizing the fragmentation of a  
8 habitat connector may include:

9 (I) locating buildings and other improvements at the farthest  
10 feasible location from the center of the connector;

11 (II) designing the location of buildings and other improvements  
12 to leave the greatest contiguous portion of the area undisturbed in order to  
13 facilitate wildlife travel through the connector; or

14 (III) when there is no feasible site for construction of buildings  
15 and other improvements outside the connector, designing the buildings and  
16 improvements to facilitate the continued viability of the connector for use by  
17 wildlife.

18 Sec. 21. CRITERION 8(B) AND (C) RULEMAKING

19 On or before June 15, 2025, the Natural Resources Board shall file a final  
20 proposed rule with the Secretary of State and Legislative Committee on



1 ~~Administrative Rules to implement the requirements for the administration of~~

2 10 V.S.A. § 6086(a)(8)(B) and (C).

3 Sec. 22. 10 V.S.A. § 127 is amended to read:

4 § 127. RESOURCE MAPPING

5 (a) ~~On or before January 15, 2013, the~~ The Secretary of Natural Resources  
6 shall complete and maintain resource mapping based on the Geographic  
7 Information System (GIS) or other technology. The mapping shall identify  
8 natural resources throughout the State, including forest blocks and connecting  
9 habitat, that may be relevant to the consideration of energy projects and  
10 projects subject to chapter 151 of this title. The Center for Geographic  
11 Information shall be available to provide assistance to the Secretary in carrying  
12 out the ~~GIS-based~~ resource mapping.

13 (b) ~~The Secretary of Natural Resources shall~~ consider the ~~GIS-based~~  
14 resource maps developed under subsection (a) of this section when providing  
15 evidence and recommendations to the Public Utility Commission under  
16 30 V.S.A. § 248(b)(5) and when commenting on or providing  
17 recommendations under chapter 151 of this title to District Commissions on  
18 other projects.

19 (c) The Secretary shall establish and maintain written procedures that  
20 include a process and science-based criteria for updating resource maps  
21 developed under subsection (a) of this section. Before establishing or revising

1 ~~these procedures, the Secretary shall provide opportunities for affected parties~~  
2 and the public to submit relevant information and recommendations.

3 \* \* \* Location-Based Jurisdiction \* \* \*

4 Sec. 23. 10 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 (i) The construction of improvements on a tract or tracts of land,  
10 owned or controlled by a person, involving more than 10 acres of land within a  
11 radius of five miles of any point on any involved land, for commercial or  
12 industrial purposes in a municipality that has adopted permanent zoning and  
13 subdivision bylaws.

14 (ii) The construction of improvements on a tract or tracts of land,  
15 owned or controlled by a person, involving more than one acre of land within  
16 a radius of five miles of any point on any involved land, for commercial or  
17 industrial purposes in a municipality that:

18 (I) has not adopted permanent zoning and subdivision bylaws;

19 or

1 ~~(ii) has adopted permanent zoning and subdivision bylaws, if~~  
2 the municipality in which the proposed project is located has elected by  
3 ordinance, adopted under 24 V.S.A. chapter 59, to have this jurisdiction apply.

4 (iii) ~~The construction of improvements for commercial or~~  
5 ~~industrial purposes on a tract or tracts of land within a radius of five miles of~~  
6 any point on any involved land within five years, owned or controlled by a  
7 person, involving more than one acre of land within a municipality that has  
8 adopted permanent zoning and subdivision bylaws, if the municipality in  
9 which the proposed project is located has elected by ordinance, adopted under  
10 24 V.S.A. chapter 59, to have this jurisdiction apply four or more units of  
11 housing located in a rural and working lands area.

12 \* \* \*

13 (vi) The construction of improvements for commercial, industrial,  
14 or residential use at or above the elevation of 2,500 feet or in or within 25 feet  
15 of a critical resource area.

16 \* \* \*

17 (xii) The construction of improvements for commercial,  
18 industrial, or residential use on a tract or tracts of land more than 500 feet from  
19 the center line of a State or town highway located in a rural and working lands  
20 area. This shall not include existing residential buildings or the construction of  
21 a garage or other buildings incidental to residential use.

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(19)(A) “Subdivision” means each of the following:

(i) A tract or tracts of land, owned or controlled by a person, that the person has partitioned or divided for the purpose of resale into ~~40~~ four or more lots within a radius of five miles of any point on any lot, or within the jurisdictional area of the same District Commission, within any continuous period of five years located within a rural and working lands area. In determining the number of lots, a lot shall be counted if any portion is within an area and within five miles of ~~within the jurisdictional area of the same~~ District Commission.

(ii) A tract or tracts of land, owned or controlled by a person, that the person has partitioned or divided for the purpose of resale into six or more lots, within a continuous period of five years, in a municipality that does not have duly adopted permanent zoning and subdivision bylaws.

(iii) A tract or tracts of land, owned or controlled by a person, that have been partitioned or divided for the purpose of resale into five or more separate parcels of any size within a radius of five miles of any point on any such parcel, and within any period of ~~ten~~ 10 years, by public auction.

(I) ~~In~~ As used in this subdivision (iii), “public auction” means any auction advertised or publicized in any manner or to which more than ~~ten~~ 10 persons have been invited.

1 ~~(II) If sales described under this subdivision (iii) are of~~  
2 interests that, when sold by means other than public auction, are exempt from  
3 the provisions of this chapter under the provisions of subsection 6081(b) of  
4 this title, the fact that these interests are sold by means of a public auction shall  
5 not, in itself, create a requirement for a permit under this chapter.

6 \* \* \*

7 (50) "Critical resource area" means a river corridor, a significant  
8 wetland as defined under section 902 of this title, land at or above 2,000 feet,  
9 land characterized by slopes greater than 15 percent and shallow depth to  
10 bedrock, an area with any amount of prime agricultural soil, and a parcel  
11 containing all or part of a habitat connector.

12 (51) "Rural and working lands area" means an area that is not a  
13 designated planned growth area or a critical resource area.

14 \* \* \* Planned Growth Area Designation \* \* \*

15 Sec. 24. 10 V.S.A. § 6032 is added to read:

16 § 6032. PLANNED GROWTH AREA DESIGNATION

17 (a) Application and approval. Beginning on January 1, 2027, a  
18 municipality, by resolution of its legislative body, may apply to the  
19 Environmental Review Board for designation of a planned growth area for the  
20 core area of the municipality that is suitable for dense development and meets  
21 the requirements of subsection (b) of this section. The Board shall issue an

1 ~~affirmative determination on finding that the municipality meets the~~  
2 requirements of subsection (b) of this section within 45 days after the  
3 application is received.

4 (b) Planned growth area designation requirements.

5 (1) To obtain a planned growth area designation under this section, a  
6 municipality must demonstrate to the Board that it has each of the following:

7 (A) A municipal plan that is approved in accordance with 24 V.S.A.  
8 § 4350.

9 (B) Municipal flood hazard planning, applicable to the entire  
10 municipality, in accordance with 24 V.S.A. § 4382(12) and the  
11 guidelines issued by the Department pursuant to 24 V.S.A. § 2792(d).

12 (C) Flood hazard and river corridor bylaws, applicable to the entire  
13 municipality, that are consistent with the standards established pursuant to  
14 subsection 755(b) of this title (flood hazard) and subsection 1428(b) of this  
15 title (river corridor).

16 (D) A capital budget and program pursuant to 24 V.S.A. § 4430 that  
17 make substantial investments in the ongoing development of the planned  
18 growth area, are consistent with the plan's implementation program, and are  
19 consistent with the smart growth principles defined in 24 V.S.A. § 2791(15).

1 ~~(E) Permanent zoning and subdivision bylaws that do not include~~  
2 ~~brood exemptions that exclude significant private or public land development~~  
3 ~~from requiring a municipal land use permit.~~

4 ~~(F) Urban form bylaws for the planned growth area that further the~~  
5 ~~smart growth principles of this 24 V.S.A. chapter 117, adequately regulate the~~  
6 ~~physical form and scale of development, make reasonable provision for~~  
7 ~~buildings in areas with sewer and water to have at least six stories, and~~  
8 ~~conform to the guidelines established by the Board.~~

9 ~~(G) Historic preservation bylaws for established design review~~  
10 ~~districts, historic districts, or historic landmarks pursuant to 24 V.S.A.~~  
11 ~~§ 4414(1)(E) and (F) for the planned growth area that meet State historic~~  
12 ~~preservation guidelines issued by the Department pursuant to subsection~~  
13 ~~2792(d) of this title.~~

14 ~~(H) Wildlife habitat planning bylaws for the planned growth area that~~  
15 ~~comply with standards established by the Board in consultation with the~~  
16 ~~Department of Fish and Wildlife.~~

17 ~~(I) Permitted water and wastewater systems with the capacity to~~  
18 ~~support additional development within the planned growth area. The~~  
19 ~~municipality shall have adopted consistent policies, by municipal plan and~~  
20 ~~ordinance, on the allocation, connection, and extension of water and~~

1 ~~wastewater lines that include a defined service area to support the planned~~  
2 ~~growth area.~~

3 ~~(J) Municipal staff adequate to support coordinated comprehensive~~  
4 ~~and capital planning, development review, and zoning administration in the~~  
5 ~~planned growth area.~~

6 ~~(K) The applicable regional plan has been approved by the Board.~~

7 ~~(2) If any party entitled to notice under subdivision (c)(4)(A) of this~~  
8 ~~section or any resident of the municipality raises concerns about the~~  
9 ~~municipality's compliance with the requirements for the underlying~~  
10 ~~designation, those concerns must be addressed as part of the municipality's~~  
11 ~~application.~~

12 ~~(c) Process for issuing determinations of planned growth area designation.~~

13 ~~(1) A preapplication meeting shall be held with staff of the relevant~~  
14 ~~regional planning commission to review the requirements of subsection (b) of~~  
15 ~~this section. The meeting shall be held in the municipality unless another~~  
16 ~~location is agreed to by the municipality.~~

17 ~~(2) An application by the municipality must include the information and~~  
18 ~~analysis required by the Board's guidelines on how to meet the requirements~~  
19 ~~of subsection (b) of this section.~~

20 ~~(3) The relevant regional planning commission shall establish a~~  
21 ~~procedure for submission of a draft application that involves review and~~



1 ~~comment by all the parties to be noticed in subdivision (4)(A) of this~~  
2 subsection and shall issue a preapplication memo incorporating the comments  
3 to the applicant after receipt of a draft preliminary application.

4 (4) After receipt of a complete final application, the Environmental  
5 Review Board shall convene a public hearing in the municipality to consider  
6 whether to issue a determination of planned growth area designation under this  
7 section.

8 (A) Notice.

9 (i) At least 35 days in advance of the Board's meeting, the  
10 regional planning commission shall provide notice to the municipality and post  
11 it on its website.

12 (ii) The municipality shall publish notice of the meeting at least  
13 30 days in advance of the Board's meeting in a newspaper of general  
14 circulation in the municipality, and deliver physically or electronically, with  
15 proof of receipt or by certified mail, return receipt requested to the Agency of  
16 Natural Resources, the Division for Historic Preservation, the Agency of  
17 Agriculture, Food and Markets, the Agency of Transportation, the regional  
18 planning commission, the regional development corporations, and the entities  
19 providing educational, police, and fire services to the municipality.

20 (iii) The notice shall also be posted by the municipality in or near  
21 the municipal clerk's office and in at least two other designated public places

1 ~~in the municipality, and on the websites of the municipality and the regional~~  
2 ~~planning commission.~~

3 (iv) The municipality shall also certify in writing that the notice  
4 required by this subsection (c) has been published, delivered, and posted  
5 within the specified time.

6 (B) No defect in the form or substance of any requirements of this  
7 subsection (c) shall invalidate the action of the Board where reasonable efforts  
8 are made to provide adequate posting and notice. However, the action shall be  
9 invalid when the defective posting or notice was materially misleading in  
10 content. If an action is ruled to be invalid by the Superior Court or by the  
11 Board itself, the regional planning commission shall provide and the  
12 municipality shall issue new posting and notice, and the Board shall hold a  
13 new hearing and take a new action.

14 (5) The Board may recess the proceedings on any application pending  
15 submission of additional information. The Board shall close the proceedings  
16 promptly after all parties have submitted the requested information.

17 (6) The Board shall issue its determination in writing. The  
18 determination shall include explicit findings on each of the requirements in  
19 subsection (b) of this section.

20 ~~(d) Review of enhanced designation status.~~

1 ~~(1) Length of designation. Initial determination of designation status~~  
2 may be made at any time. Thereafter, review of a designation shall occur  
3 every eight years with a check-in after four years.

4 (2) The Board, on its motion, may review compliance with the planned  
5 growth area requirements at more frequent intervals.

6 (3) If at any time the Board determines that the planned growth area no  
7 longer meets the standards for the designation, it shall take one of the  
8 following actions:

9 (A) require corrective action within a reasonable time frame; or

10 (B) terminate the designation.

11 (4) If the underlying designation is terminated, the planned growth area  
12 designation also shall terminate.

13 (e) Appeal.

14 (1) An interested person may appeal any act or decision of the Board  
15 under this section to the Supreme Court within 30 days following the act or  
16 decision.

17 (2) As used in this section, an "interested person" means any one of the  
18 following:

19 (A) A person owning title to or occupying property within or  
20 abutting the designated center.

1 ~~(B) The municipality making the application or a municipality that~~  
2 adjoins the municipality making the application.

3 (C) The regional planning commission for the region that includes  
4 the designated center or a regional planning commission whose region adjoins  
5 the municipality in which the designated center is located.

6 (D) Any 20 persons who, by signed petition, allege that the decision  
7 is not in accord with the requirements of this chapter, and who own or occupy  
8 real property located within the municipality in which the designated center is  
9 located or an adjoining municipality. The petition must designate one person  
10 to serve as the representative of the petitioners regarding all matters related to  
11 the appeal. The designated representative must have participated in the public  
12 hearing described in subdivision (c)(4) of this section.

13 Sec. 25. PLANNED GROWTH AREA GUIDELINES

14 On or before January 1, 2027, the Environmental Review Board shall  
15 publish guidelines to direct municipalities seeking to obtain the planned  
16 growth area designation.

17 Sec. 26. 24 V.S.A. § 4382 is amended to read:

18 § 4382. THE PLAN FOR A MUNICIPALITY

19 (a) A plan for a municipality shall be consistent with the goals established  
20 ~~in section 4302 of this title and compatible with approved plans of other~~

1 ~~municipalities in the region and with the regional plan and shall include the~~

2 following:

3 \* \* \*

4 (2) A land use plan, which shall consist of a map and statement of  
5 present and prospective land uses, that:

6 \* \* \*

7 (C) Identifies those areas, if any, proposed for designation under  
8 chapter 76A of this title or 10 V.S.A. § 6032, together with, for each area  
9 proposed for designation, an explanation of how the designation would further  
10 the plan's goals and the goals of section 4302 of this title; and how the area  
11 meets the requirements for the type of designation to be sought.

12 \* \* \*

13 Sec. 27. 10 V.S.A. § 6081 is amended to read:

14 § 6081. PERMITS REQUIRED; EXEMPTIONS

15 \* \* \*

16 (z) Notwithstanding any other provision of this chapter to the contrary, no  
17 permit or permit amendment is required for any subdivision, development, or  
18 change to an existing project that is located entirely within a planned growth  
19 area designated under section 6032 of this title. Upon receiving notice and a  
20 copy of the permit issued by an appropriate municipal panel pursuant to 24  
21 V.S.A. § 4400(1), a previously issued permit for a development or subdivision

1 ~~located in a planned growth area shall remain attached to the property.~~

2 However, neither the Board nor the Agency of Natural Resources shall enforce  
3 the permit or assert amendment jurisdiction on the tract or tracts of land unless  
4 the designation is revoked or the municipality has not taken any action to  
5 enforce the conditions of the permit.

6 Sec. 28. 24 V.S.A. § 4460 is amended to read:

7 § 4460. APPROPRIATE MUNICIPAL PANELS

8 \* \* \*

9 (g)(1) This subsection shall apply to a subdivision or development that:

10 (A) was previously permitted pursuant to 10 V.S.A. chapter 151;

11 (B) is located in a planned growth area designated pursuant to 10

12 V.S.A. § 6032; and

13 (C) has applied for a permit or permit amendment required by zoning  
14 regulations or bylaws adopted pursuant to this subchapter.

15 (2) The appropriate municipal panel reviewing a municipal permit or  
16 permit amendment pursuant to this subsection shall include conditions  
17 contained within a permit previously issued pursuant to 10 V.S.A. chapter 151  
18 unless the panel determines that the permit condition pertains to any of the  
19 following:

20 (A) the construction phase of the project that has already been

21 constructed,

1 (B) compliance with another State permit that has independent  
2 jurisdiction;

3 (C) federal or State law that is no longer in effect or applicable;

4 (D) an issue that is addressed by municipal regulation and the project  
5 will meet the municipal standards; or

6 (E) a physical or use condition that is no longer in effect or  
7 applicable or that will no longer be in effect or applicable once the new project  
8 is approved.

9 (3) After issuing or amending a permit containing conditions pursuant  
10 to this subsection, the appropriate municipal panel shall provide notice and a  
11 copy of the permit to the Environmental Review Board.

12 (4) The appropriate municipal panel shall comply with the notice and  
13 hearing requirements provided in subdivision 4464(a)(1) of this title. In  
14 addition, notice shall be provided to those persons requiring notice under  
15 10 V.S.A. § 6084(b) and shall explicitly reference the existing Act 250 permit.

16 (5) The appropriate municipal panel's decision shall be issued in  
17 accordance with subsection 4464(b) of this title and shall include specific  
18 findings with respect to its determinations pursuant to subdivision (2) of this  
19 subsection.

1 ~~(c) Any final action by the appropriate municipal panel affecting a~~  
2 condition of a permit previously issued pursuant to 10 V.S.A. chapter 151 shall  
3 be recorded in the municipal land records.

4 (h) Within a designated planned growth area, the appropriate municipal  
5 panel shall enforce any existing permits issued under 10 V.S.A. chapter 151.

6 \* \* \* Future Land Use Maps \* \* \*

7 Sec. 29. 24 V.S.A. § 4.48(f) is amended to read:

8 (f) A regional plan or amendment shall be adopted by not less than a  
9 60 percent vote of the commissioners representing municipalities, in  
10 accordance with the bylaws of the regional planning commission, and  
11 immediately submitted to the legislative bodies of the municipalities that  
12 comprise the region.

13 (1) The plan or amendment shall be considered duly adopted ~~and shall~~  
14 ~~take effect 35 days after the date of adoption, unless, within 35 days of the date~~  
15 ~~of adoption, the regional planning commission receives certification from the~~  
16 ~~legislative bodies of a majority of the municipalities in the region vetoing the~~  
17 ~~proposed plan or amendment. In case of such a veto, the plan or amendment~~  
18 ~~shall be deemed rejected.~~

19 (2) Beginning on July 1, 2026, the regional planning commission shall  
20 submit the plan or amendment to the Environmental Review Board established  
21 under 10 V.S.A. chapter 151, which shall approve the plan or amendment if it



1 ~~determines that the plan or amendment is consistent with the goals of section~~  
2 4302 of this title. The plan or amendment shall take effect on the issuance of  
3 the approval. The Board shall issue its decision within 30 days after receiving  
4 the plan or amendment.

5 Sec. 30. 24 V.S.A. § 4348a is amended to read:

6 § 4348a. ELEMENTS OF A REGIONAL PLAN

7 (a) A regional plan shall be consistent with the goals established in section  
8 4302 of this title and shall include the following:

9 (1) A statement of basic policies of the region to guide the future  
10 growth and development of land and of public services and facilities, and to  
11 protect the environment.

12 (2) A land use element, which shall consist of a map and statement of  
13 present and prospective land uses, based on ecosystem function, consistent  
14 with Vermont Conservation Design that:

15 (A) Indicates those areas proposed for forests, recreation, agriculture  
16 (using the agricultural lands identification process established in 6 V.S.A. § 8),  
17 residence, commerce, industry, public, and semi-public uses, open spaces,  
18 areas reserved for flood plain, and areas identified by the State, regional  
19 planning commissions, or municipalities that require special consideration for  
20 ~~aquifer protection, for wetland protection, for the maintenance of forest~~

1 blocks, wildlife habitat, and habitat connectors, or for other conservation

2 purposes.

3 (B) Indicates those areas within the region that are likely candidates  
4 for designation under sections 2793 (downtown development districts), 2793a  
5 (village centers), 2793b (new town centers), and 2793c (growth centers) of this  
6 title or under 10 V.S.A. § 6032 (planned growth areas).

7 (C) Indicates locations proposed for developments with a potential  
8 for regional impact, as determined by the regional planning commission,  
9 including flood control projects, surface water supply projects, industrial  
10 parks, office parks, shopping centers and shopping malls, airports, tourist  
11 attractions, recreational facilities, private schools, public or private colleges,  
12 and residential developments or subdivisions.

13 (D) Sets forth the present and prospective location, amount, intensity,  
14 and character of such land uses and the appropriate timing or sequence of land  
15 development activities in relation to the provision of necessary community  
16 facilities and services.

17 (E) Indicates those areas that have the potential to sustain agriculture  
18 and recommendations for maintaining them which may include transfer of  
19 development rights, acquisition of development rights, or farmer assistance  
20 programs.



1 ~~Sec. 21. EFFECTIVE DATES~~

2 ~~This act shall take effect on passage, except that Secs. 13 and 14 (10 V.S.A.~~  
3 ~~Chapter 20, 4 V.S.A. § 54) shall take effect on July 1, 2020.~~

*\* \* \* Act 250 \* \* \**

*Sec. 1. PURPOSE*

*The purpose of this act is to further assist the State in achieving the conservation vision and goals for the State established in 10 V.S.A. § 2802 and 24 V.S.A. § 4302. It provides a regulatory framework that supports the vision for Vermont of human and natural community resilience and biodiversity protection in the face of climate change, as described in 2023 Acts and Resolves No. 59. It would strengthen the administration of the Act 250 program by changing the structure, function, and name of the Natural Resources Board. It requires that appeals of Act 250 permit decisions be heard by a five-member board called the Environmental Review Board. The Environmental Division of the Superior Court would continue to hear the other types of cases within its jurisdiction. The Environmental Review Board would retain the current duties of the Natural Resources Board in addition to hearing appeals, reviewing the future land use maps of regional plans, and reviewing applications for the Tier 1A area status. The Board would provide oversight, management, and training to the Act 250 program staff and District Commissions and develop Act 250 program policy through permit decisions*

~~and rulemaking. This change would allow the Act 250 program to be a more citizen-friendly process applied more consistently across districts. The program updates established in this act would be used to guide State financial investment in human and natural infrastructure.~~

~~Sec. 2. 10 V.S.A. § 6000 is added to read:~~

~~§ 6000. PURPOSE; CONSTRUCTION~~

~~The purposes of this chapter are to protect and conserve the environment of the State and to support the achievement of the goals of the Capability and Development Plan, of 24 V.S.A. § 4302(c), and of the conservation vision and goals for the State established in Section 2802 of this title, while supporting equitable access to infrastructure.~~

~~Sec. 3. 10 V.S.A. § 6021 is amended to read:~~

~~§ 6021. BOARD; VACANCY; REMOVAL~~

~~(a) A Natural Resources Board established. The Environmental Review Board is created to administer the Act 250 program and hear appeals.~~

~~(1) The Board shall consist of five members appointed by the Governor, after review and approval by the Environmental Review Board Nominating Committee in accordance with subdivision (2) of this subsection and confirmed with the advice and consent of the Senate, so that one appointment expires in each year. The Chair shall be a full-time position, and the other four members shall be half-time positions. In making these appointments, the Governor and~~

~~the Senate shall give consideration to candidates who have experience, expertise, or skills relating to the environment or land use one or more of the following areas: environmental science; land use law, policy, planning, and development; and community planning. All candidates shall have a commitment to environmental justice.~~

~~(A) The Governor shall appoint a chair of the Board, a position that shall be a full-time position. The Governor shall ensure Board membership reflects, to the extent possible, the racial, ethnic, gender, and geographic diversity of the State. The Board shall not contain two members who reside in the same county.~~

~~(B) Following initial appointments, the members, except for the Chair, shall be appointed for terms of ~~four~~ five years. All terms shall begin on July 1 and expire on June 30. A member may continue serving until a successor is appointed. The initial appointments shall be for staggered terms of one year, two years, three years, four years, and five years.~~

~~(2) The Governor shall appoint up to five persons, with preference given to former Environmental Board, Natural Resources Board, or District Commission members, with the advice and consent of the Senate, to serve as alternates for Board members.~~

~~(A) Alternates shall be appointed for terms of four years, with initial appointments being staggered. The Environmental Review Board Nominating~~

~~Committee shall advertise the position when a vacancy will occur on the  
Environmental Review Board.~~

~~(B) The Chair of the Board may assign alternates to sit on specific  
matters before the Board in situations where fewer than five members are  
available to serve. The Nominating Committee shall review the applicants to  
determine which are well qualified for appointment to the Board and shall  
recommend those candidates to the Governor. The names of candidates shall  
be confidential.~~

~~(C) The Governor shall appoint, with the advice and consent of the  
Senate, a chair and four members of the Board from the list of well-qualified  
candidates sent to the Governor by the Committee.~~

~~(b) Any vacancy occurring in the membership of the Board shall be filled  
by the Governor for the unexpired portion of the term. Terms; vacancy;  
succession. The term of each appointment subsequent to the initial  
appointments described in subsection (a) of this section shall be five years.  
Any appointment to fill a vacancy shall be for the unexpired portion of the  
term vacated. A member may seek reappointment by informing the Governor.  
If the Governor decides not to reappoint the member, the Nominating  
Committee shall advertise the vacancy.~~

~~(c) Removal. Notwithstanding the provisions of 3 V.S.A. § 2004, members  
shall only be removable for cause only, except the Chair, who shall serve at the~~

~~pleasure of the Governor by the remaining members of the Board in accordance with the Vermont Administrative Procedures Act. The Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to define the basis and process for removal.~~

~~(d) *Disqualified members.* The Chair of the Board, upon request of the Chair of a District Commission, may appoint and assign former Commission members to sit on specific Commission cases when some or all of the regular members and alternates of the District Commission are disqualified or otherwise unable to serve. If necessary to achieve a quorum, the Chair of the Board may appoint a member of a District Commission who has not worked on the case to sit on a specific case before the Board.~~

~~(e) *Retirement from office.* When a Board member who hears all or a substantial part of a case retires from office before the case is completed, the member may remain a member of the Board, at the member's discretion, for the purpose of concluding and deciding that case and signing the findings and judgments involved. A retiring chair shall also remain a member for the purpose of certifying questions of law if a party appeals to the Supreme Court. For the service, the member shall receive a reasonable compensation to be fixed by the remaining members of the Board and necessary expenses while on official business.~~

~~Sec. 4. 10 V.S.A. § 6032 is added to read.~~



~~§ 6032 ENVIRONMENTAL REVIEW BOARD NOMINATING~~

COMMITTEE

(a) Creation. The Environmental Review Board Nominating Committee is created for the purpose of assessing the qualifications of applicants for appointment to the Environmental Review Board in accordance with section 6021 of this title.

(b) Members. The Committee shall consist of six members who shall be appointed by July 31, 2024 as follows:

(1) The Governor shall appoint two members from the Executive Branch, with at least one being an employee of the Department of Human Resources.

(2) The Speaker of the House of Representatives shall appoint two members from the House of Representatives.

(3) The Senate Committee on Committees shall appoint two members from the Senate.

(c) Terms. The members of the Committee shall serve for terms of two years. Members shall serve until their successors are appointed. Members shall serve not more than three consecutive terms. A legislative member who is appointed as a member of the Committee shall retain the position for the term appointed to the Committee even if the member is subsequently not reelected to the General Assembly during the member's term on the Committee.

(d) Chair. The members shall elect their own chair.

(e) Quorum. A quorum of the Committee shall consist of four members.

(f) Staff and services. The Committee is authorized to use the staff and services of appropriate State Agencies and Departments as necessary to conduct investigations of applicants.

(g) Confidentiality. Except as provided in subsection (h) of this section, proceedings of the Committee, including the names of candidates considered by the Committee and information about any candidate submitted to the Governor, shall be confidential. The provisions of 1 V.S.A. § 317(e) (expiration of Public Records Act exemptions) shall not apply to the exemptions or confidentiality provisions in this subsection.

(h) Public information. The following shall be public:

(1) operating procedures of the Committee;

(2) standard application forms and any other forms used by the Committee, provided they do not contain personal information about a candidate or confidential proceedings;

(3) all proceedings of the Committee prior to the receipt of the first candidate's completed application; and

(4) at the time the Committee sends the names of the candidates to the Governor, the total number of applicants for the vacancies and the total number of candidates sent to the Governor.

~~(i) Reimbursement. Legislative members of the Committee shall be entitled to per diem compensation and reimbursement for expenses in accordance with 2 V.S.A. § 23. Compensation and reimbursement shall be paid from the legislative appropriation.~~

~~(j) Duties.~~

~~(1) When a vacancy occurs, the Committee shall review applicants to determine which are well qualified for the Board and submit those names to the Governor. The Committee shall submit to the Governor a summary of the qualifications and experience of each candidate whose name is submitted to the Governor together with any further information relevant to the matter.~~

~~(2) An applicant for the position of member of the Environmental Review Board shall not be required to be an attorney. If the candidate is admitted to practice law in Vermont or practices a profession requiring licensure, certification, or other professional regulation by the State, the Committee shall submit the candidate's name to the Court Administrator or the applicable State professional regulatory entity, and that entity shall disclose to the Committee any professional disciplinary action taken or pending concerning the candidate.~~

~~(3) Candidates shall be sought who have experience, expertise, or skills relating to one or more of the following areas: environmental science, land~~

~~use law, policy, planning, and development; and community planning. All candidates shall have a commitment to environmental justice.~~

~~(4) The Committee shall ensure a candidate possesses the following attributes:~~

~~(A) Integrity. A candidate shall possess a record and reputation for excellent character and integrity.~~

~~(B) Impartiality. A candidate shall exhibit an ability to make judicial determinations in a manner free of bias.~~

~~(C) Work ethic. A candidate shall demonstrate diligence.~~

~~(D) Availability. A candidate shall have adequate time to dedicate to the position.~~

~~(5) The Committee shall require candidates to disclose to the Committee their financial interests and potential conflicts of interest.~~

~~Sec. 5. 10 V.S.A. § 6025 is amended to read:~~

~~§ 6025. RULES~~

~~(a) The Board may adopt rules of procedure for itself and the District Commissions. The Board shall adopt rules of procedure that govern appeals and other contested cases before it that are consistent with this chapter. The Board's procedure for approving regional plans and regional plan maps, which may be adopted as rules or issued as guidance, shall ensure that the~~

~~maps are consistent with legislative intent as expressed in 2802 of this title and  
24 M.S.A. §§ 4302 and 4348a.~~

~~\* \* \*~~

~~Sec. 6. 10 M.S.A. § 6027 is amended to read:~~

~~§ 6027. POWERS~~

~~(a) The Board and District Commissions each shall have supervisory authority in environmental matters respecting projects within their jurisdiction and shall apply their independent judgment in determining facts and interpreting law. Each shall have the power, with respect to any matter within its jurisdiction, to:~~

~~(1) administer oaths, take depositions, subpoena and compel the attendance of witnesses, and require the production of evidence;~~

~~(2) allow parties to enter upon lands of other parties for the purposes of inspecting and investigating conditions related to the matter before the Board or Commission;~~

~~(3) enter upon lands for the purpose of conducting inspections, investigations, examinations, tests, and site evaluations as it deems necessary to verify information presented in any matter within its jurisdiction; and~~

~~(4) apply for and receive grants from the federal government and from other sources.~~

~~(b) The powers granted under this chapter are additional to any other powers which that may be granted by other legislation.~~

~~(c) The Natural Resources Board may designate or establish such regional offices as it deems necessary to implement the provisions of this chapter and the rules adopted hereunder. The Natural Resources Board may designate or require a regional planning commission to receive applications, provide administrative assistance, perform investigations, and make recommendations.~~

~~(d) At the request of a District Commission, if the Board Chair determines that the workload in the requesting district is likely to result in unreasonable delays or that the requesting District Commission is disqualified to hear a case, the Chair may authorize the District Commission of another district to sit in the requesting district to consider one or more applications.~~

~~(e) The Natural Resources Board may by rule allow joint hearings to be conducted with specified State agencies or specified municipalities.~~

~~(f) The Board shall publish its decisions online. The Board may publish online or contract to publish annotations and indices of its decisions, the decisions of the Environmental Division of the Superior Court and the Supreme Court, and the text of those decisions. The published product shall be available at a reasonable rate to the general public and at a reduced rate to libraries and governmental bodies within the State.~~

~~(g) The Natural Resources Board shall manage the process by which land use permits are issued under section 6086 of this title, may initiate enforcement on related matters under the provisions of chapters 201 and 211 of this title, and may petition the Environmental Division initiate and hear petitions for revocation of land use permits issued under this chapter. Grounds for revocation are:~~

~~(1) noncompliance with this chapter, rules adopted under this chapter, or an order that is issued that relates to this chapter;~~

~~(2) noncompliance with any permit or permit condition;~~

~~(3) failure to disclose all relevant and material facts in the application or during the permitting process;~~

~~(4) misrepresentation of any relevant and material fact at any time;~~

~~(5) failure to pay a penalty or other sums owed pursuant to, or other failure to comply with, court order, stipulation agreement, schedule of compliance, or other order issued under Vermont statutes and related to the permit; or~~

~~(6) failure to provide certification of construction costs, as required under subsection 6083a(a) of this title, or failure to pay supplemental fees as required under that section.~~

~~(b) The Natural Resources Board may shall hear appeals of decisions made by District Commissions and district coordinators, including fee refund requests under section 6083a of this title.~~

~~(i) The Chair, subject to the direction of the Board, shall have general charge of the offices and employees of the Board and the offices and employees of the District Commissions.~~

~~(j) The Natural Resources Board may participate as a party in all matters before the Environmental Division that relate to land use permits issued under this chapter. The Board shall review for compliance regional plans and the future land use maps, including proposed Tier 1B areas, developed by the regional planning commissions pursuant to 24 V.S.A. § 4348a.~~

~~(k) The Board shall review applications for Tier 1A areas and approve or disapprove based on whether the application demonstrates compliance with the requirements of section 6034 of this title. The Board shall produce guidelines for municipalities seeking to obtain the Tier 1A area status.~~

\* \* \*

Sec. 7. 10 V.S.A. § 6022 is amended to read:

§ 6022. PERSONNEL

~~(a) Regular personnel. The Board may appoint legal counsel, scientists, engineers, experts, investigators, temporary employees, and administrative personnel as it finds necessary in carrying out its duties, unless the Governor~~



~~shall otherwise provide in providing personnel to assist the District Commissions and in investigating matters within its jurisdiction.~~

~~(b) Executive Director. The Board shall appoint an Executive Director. The Director shall be a full-time State employee, shall be exempt from the State classified system, and shall serve at the pleasure of the Board. The Director shall be responsible for:~~

~~(1) supervising and administering the operation and implementation of this chapter and the rules adopted by the Board as directed by the Board;~~

~~(2) assisting the Board in its duties and administering the requirements of this chapter;~~

~~(3) employing any staff as may be required to carry out the functions of the Board; and~~

~~(4) preparing an annual budget for submission to the Board.~~

~~Sec. 8. 10 V.S.A. § 6084 is amended to read:~~

~~§ 6084. NOTICE OF APPLICATION; HEARINGS; COMMENCEMENT OF REVIEW~~

~~(a) On or before the date of Upon the filing of an application with the District Commission, the applicant District Commission shall send, by electronic means, notice and a copy of the initial application to the owner of the land if the applicant is not the owner; the municipality in which the land is located, the municipal and regional planning commissions for the municipality~~

~~in which the land is located; the Vermont Agency of Natural Resources; and any adjacent Vermont municipality and municipal and regional planning commission if the land is located on a municipal or regional boundary. The applicant shall furnish to the District Commission the names of those furnished notice by affidavit, and shall ~~post~~ send by electronic means a copy of the notice ~~in~~ to the town clerk's office of the town or towns in which the project lies. The town clerk shall post the notice in the town office. The applicant shall also provide a list of adjoining landowners to the District Commission. Upon request and for good cause, the District Commission may authorize the applicant to provide a partial list of adjoining landowners in accordance with Board rules.~~

~~\*\*\*~~

~~(e) Any notice for a major or minor application, as required by this section, shall also be published by the District Commission in a local newspaper generally circulating in the area where the development or subdivision is located and on the Board's website not more than ~~ten~~ 10 days after receipt of a complete application.~~

~~\*\*\*~~

~~Sec. 9. 10 V.S.A. § 6086(f) is amended to read:~~

~~(f) Prior to any appeal of a permit issued by a District Commission, any aggrieved party may file a request for a stay of construction with the District~~

~~Commission together with a declaration of intent to appeal the permit. The stay request shall be automatically granted for seven days upon receipt and notice to all parties and pending a ruling on the merits of the stay request pursuant to Board rules. The automatic stay shall not extend beyond the 30-day appeal period unless a valid appeal has been filed with the Environmental Division Board. The automatic stay may be granted only once under this subsection during the 30-day appeal period. Following appeal of the District Commission decision, any stay request must be filed with the Environmental Division pursuant to the provisions of chapter 220 of this title Board. A District Commission shall not stay construction authorized by a permit processed under the Board's minor application procedures.~~

~~Sec. 10. 10 V.S.A. § 6089 is amended to read:~~

~~§ 6089. APPEALS~~

~~Appeals of any act or decision of a District Commission under this chapter or a district coordinator under subsection 6007(c) of this title shall be made to the Environmental Division in accordance with chapter 220 of this title. For the purpose of this section, a decision of the Chair of a District Commission under section 6001e of this title on whether action has been taken to circumvent the requirements of this chapter shall be considered an act or decision of the District Commission.~~

~~(a)(1) Appeals to the Board. An appeal of any act or decision of a District Commission shall be to the Board and shall be accompanied by a fee prescribed by section 6083a of this title.~~

~~(2) Participation before District Commission. A person shall not appeal an act or decision that was made by a District Commission unless the person was granted party status by the District Commission pursuant to subdivision 6085(c)(1)(E) of this title, participated in the proceedings before the District Commission, and retained party status at the end of the District Commission proceedings. In addition, the person may only appeal those issues under the criteria with respect to which the person was granted party status. However, notwithstanding these limitations, a person may appeal an act or decision of the District Commission if the Board determines that:~~

~~(A) there was a procedural defect that prevented the person from obtaining party status or participating in the proceeding;~~

~~(B) the decision being appealed is the grant or denial of party status;~~

~~or~~

~~(C) some other condition exists that would result in manifest injustice if the person's right to appeal was disallowed.~~

~~(3) Filing the appeal. An appellant to the Board, under this section, shall file with the notice of appeal a statement of the issues to be addressed in~~

~~the appeal, a summary of the evidence that will be presented, and a preliminary list of witnesses who will testify on behalf of the appellant.~~

~~(4) De novo hearing. The Board shall hold a de novo hearing on all findings requested by any party that files an appeal or cross appeal, according to the rules of the Board. The hearing shall be held in the municipality where the project subject to the appeal is located, if possible, or as close as possible.~~

~~(5) Notice of appeal. Notice of appeal shall be filed with the Board within 30 days following the act or decision by the District Commission. The Board shall notify the parties who had party status before the District Commission of the filing of any appeal.~~

~~(6) Prehearing discovery.~~

~~(A) A party may obtain discovery of expert witnesses who may provide testimony relevant to the appeal. Expert witness prefiled testimony shall be in accordance with the Vermont Rules of Evidence. The use of discovery for experts shall comply with the requirements in the Vermont Rules of Civil Procedure 26–37.~~

~~(B) Interrogatories served on nonexpert witnesses shall be limited to discovery of the identity of witnesses and a summary of each witness' testimony, except by order of the Board for cause shown. Interrogatories served on expert witnesses shall be in accordance with the Vermont Rules of Civil Procedure.~~

~~(C) Parties may submit requests to produce and requests to enter upon land pursuant to the Vermont Rule of Civil Procedure 34.~~

~~(D) Parties may not take depositions of witnesses, except by order of the Board for cause shown.~~

~~(E) The Board may require a party to supplement, as necessary, any prehearing testimony that is provided.~~

~~(b) Prior decisions. Prior decisions of the former Environmental Board, the Water Resources Board, the Waste Facilities Panel, and the Environmental Division of the Superior Court shall be given the same weight and consideration as prior decisions of the Environmental Review Board.~~

~~(c) Appeals to Supreme Court. An appeal from a decision of the Board under subsection (a) of this section shall be to the Supreme Court by a party as set forth in subsection 6085(c) of this title.~~

~~(d) Objections. No objection that has not been raised before the Board may be considered by the Supreme Court, unless the failure or neglect to urge such objection shall be excused because of extraordinary circumstances.~~

~~(e) Appeals of decisions. An appeal of a decision by the Board shall be allowed pursuant to 3 V.S.A. § 815, including the unreasonableness or insufficiency of the conditions attached to a permit. An appeal from the District Commission shall be allowed for any reason, except no appeal shall be allowed when an application has been granted and no hearing was requested.~~

~~*(f) Precedent. Precedent from the former Environmental Board and of the Environmental Review Board that interpret this chapter shall be provided the same deference by the Supreme Court as precedents accorded to other Executive Branch agencies charged with administering their enabling act. On appeal to the Supreme Court from the Environmental Review Board, decisions of the Environmental Review Board interpreting this act also shall be accorded that deference.*~~

~~*(g) Clearly erroneous. Upon appeal to the Supreme Court, the Board's findings of fact shall be accepted unless clearly erroneous.*~~

~~*(h) Completion of case. A case shall be deemed completed when the Board enters a final decision even though that decision is appealed to the Supreme Court and remanded by that Court.*~~

~~*(i) Court of record; jurisdiction. The Board shall have the powers of a court of record in the determination and adjudication of all matters within its jurisdiction. It may initiate proceedings on any matter within its jurisdiction. It may render judgments and enforce the same by any suitable process issuable by courts in this State. An order issued by the Board on any matter within its jurisdiction shall have the effect of a judicial order. The Board's jurisdiction shall include.*~~

~~(1) the issuance of declaratory rulings on the applicability of this chapter and rules or orders issued under this chapter, pursuant to 3 V.S.A. § 808; and~~

~~(2) the issuance of decisions on appeals pursuant to sections 6007 and 6089 of this title.~~

~~Sec. 11. 10 V.S.A. § 6007 is amended to read:~~

~~§ 6007. ACT 250 DISCLOSURE STATEMENT; JURISDICTIONAL DETERMINATION~~

~~\* \* \*~~

~~(c) With respect to the partition or division of land, or with respect to an activity that might or might not constitute development, any person may submit to the district coordinator an "Act 250 Disclosure Statement" and other information required by the rules of the Board and may request a jurisdictional opinion from the district coordinator concerning the applicability of this chapter. If a requestor wishes a final determination to be rendered on the question, the district coordinator, at the expense of the requestor and in accordance with rules of the Board, shall publish notice of the issuance of the opinion in a local newspaper generally circulating in the area where the land that is the subject of the opinion is located and shall serve the opinion on all persons listed in subdivisions 6085(c)(1)(A) through (D) of this title. In addition, the requestor who is seeking a final determination shall consult with~~



~~the district coordinator and obtain approval of a subdivision 6085(c)(1)(E) list of persons who shall be notified by the district coordinator because they are adjoining property owners or other persons who would be likely to be able to demonstrate a particularized interest protected by this chapter that may be affected by an act or decision by a District Commission.~~

~~(d) A person who seeks review of a jurisdictional opinion issued by a district coordinator shall bring to the Board an appeal of issues addressed in the opinion.~~

~~(1) The appellant shall provide notice of the filing of an appeal to each person entitled to notice under subdivisions 6085(c)(1)(A) through (D) of this title and to each person on an approved subdivision 6085(c)(1)(E) list.~~

~~(2) Failure to appeal within 30 days following the issuance of the jurisdictional opinion shall render the decision of the district coordinator under subsection (c) of this section the final determination regarding jurisdiction unless the underlying jurisdictional opinion was not properly served on persons listed in subdivisions 6085(c)(1)(A) through (D) of this title and on persons on a subdivision 6085(c)(1)(E) list approved under subsection (c) of this section.~~

Sec. 12. 10 V.S.A. § 6083a is amended to read:

§ 6083a. ACT 250 FEES

~~(i) All persons filing an appeal, cross appeal, or petition from a District Commission decision or jurisdictional opinion shall pay a fee of \$295.00, plus publication costs, unless the Board approves a waiver of fees based on indigency.~~

~~(j) Any municipality filing an application for a Tier 1A area status shall pay a fee of \$295.00.~~

~~(k) Any regional planning commission filing a regional plan or future land use map to be reviewed by the Board shall pay a fee of \$295.00.~~

~~\*\*\* Appeals \*\*\*~~

~~Sec. 13. 10 V.S.A. chapter 220 is amended to read:~~

~~CHAPTER 220. CONSOLIDATED ENVIRONMENTAL APPEALS~~

~~§ 8501. PURPOSE~~

~~It is the purpose of this chapter to:~~

~~(1) consolidate existing appeal routes for municipal zoning and subdivision decisions and acts or decisions of the Secretary of Natural Resources, district environmental coordinators, and District Commissions, excluding enforcement actions brought pursuant to chapters 201 and 211 of this title and the adoption of rules under 3 V.S.A. chapter 25;~~

~~(2) standardize the appeal periods, the parties who may appeal these acts or decisions, and the ability to stay any act or decision upon appeal, taking into account the nature of the different programs affected,~~

~~(3) encourage people to get involved in the Act 250 permitting process at the initial stages of review by a District Commission by requiring participation as a prerequisite for an appeal of a District Commission decision to the Environmental Division;~~

~~(4) assure ensure that clear appeal routes exist for acts and decisions of the Secretary of Natural Resources; and~~

~~(5)(4) consolidate appeals of decisions related to renewable energy generation plants and telecommunications facilities with review under, respectively, 30 V.S.A. §§ 248 and 248a, with appeals and consolidation of proceedings pertaining to telecommunications facilities occurring only while 30 V.S.A. § 248a remains in effect.~~

§ 8502. DEFINITIONS

*As used in this chapter:*

~~(1) “District Commission” means a District Environmental Commission established under chapter 151 of this title. [Repealed.]~~

~~(2) “District coordinator” means a district environmental coordinator attached to a District Commission established under chapter 151 of this title. [Repealed.]~~

~~(3) “Environmental Court” or “Environmental Division” means the Environmental Division of the Superior Court established by 4 V.S.A. § 50.~~

~~(4) “Natural Resources Environmental Review Board” or “Board” means the Board established under chapter 151 of this title.~~

~~(5) “Party by right” means the following:~~

~~(A) the applicant;~~

~~(B) the landowner, if the applicant is not the landowner;~~

~~(C) the municipality in which the project site is located and the municipal and regional planning commissions for that municipality;~~

~~(D) if the project site is located on a boundary, any Vermont municipality adjacent to that border and the municipal and regional planning commissions for that municipality;~~

~~(E) the solid waste management district in which the land is located, if the development or subdivision constitutes a facility pursuant to subdivision 6602(10) of this title; and~~

~~(F) any State agency affected by the proposed project.~~

~~(6) “Person” means any individual; partnership; company; corporation; association; joint venture; trust; municipality; the State of Vermont or any agency, department, or subdivision of the State; any federal agency; or any other legal or commercial entity.~~

~~(7) “Person aggrieved” means a person who alleges an injury to a particularized interest protected by the provisions of law listed in section 8503 of this title, attributable to an act or decision by a district coordinator, District~~

~~Commission, the Secretary, or the Environmental Division that can be  
readdressed by the Environmental Division or the Supreme Court.~~

~~(8) “Secretary” means the Secretary of Natural Resources or the  
Secretary’s duly authorized representative. As used in this chapter,  
“Secretary” shall also mean means the Commissioner of Environmental  
Conservation, the Commissioner of Forests, Parks and Recreation, and the  
Commissioner of Fish and Wildlife, with respect to those statutes that refer to  
the authority of that commissioner or department.~~

~~§ 8503. APPLICABILITY~~

~~(a) This chapter shall govern all appeals of an act or decision of the  
Secretary, excluding enforcement actions under chapters 201 and 211 of this  
title and rulemaking, under the following authorities and under the rules  
adopted under those authorities:~~

~~\* \* \*~~

~~(b) This chapter shall govern:~~

~~(1) all appeals from an act or decision of a District Commission under  
chapter 151 of this title, excluding appeals of application fee refund requests;~~

~~(2) appeals from an act or decision of a district coordinator under  
subsection 6007(c) of this title;~~

~~(3) appeals from findings of fact and conclusions of law issued by the  
Natural Resources Board in its review of a designated growth center for~~

~~conformance with the criteria of subsection 6086(a) of this title, pursuant to authority granted at 24 V.S.A. § 2793e(f). [Repealed.]~~

~~(c) This chapter shall govern all appeals arising under 24 V.S.A. chapter 117, the planning and zoning chapter.~~

~~(d) This chapter shall govern all appeals from an act or decision of the Environmental Division under this chapter.~~

~~(e) This chapter shall not govern appeals from rulemaking decisions by the Natural Resources Environmental Review Board under chapter 151 of this title or enforcement actions under chapters 201 and 211 of this title.~~

~~(f) This chapter shall govern all appeals of acts or decisions of the legislative body of a municipality arising under 24 V.S.A. chapter 61, subchapter 10, relating to the municipal certificate of approved location for salvage yards.~~

~~(g) This chapter shall govern all appeals of an act or decision of the Secretary of Natural Resources that a solid waste implementation plan for a municipality proposed under 24 V.S.A. § 2202a conforms with the State Solid Waste Implementation Plan adopted pursuant to section 6604 of this title.~~

#### ~~§ 8504. APPEALS TO THE ENVIRONMENTAL DIVISION~~

~~(a) ~~Act 250 and~~ Agency appeals. Within 30 days of the date of following the act or decision, any person aggrieved by an act or decision of the Secretary, a District Commission, or a district coordinator under the~~

~~provisions of law listed in section 8503 of this title, or any party by right, may appeal to the Environmental Division, except for an act or decision of the Secretary under subdivision 6086b(3)(E) of this title or governed by section 8506 of this title.~~

~~\* \* \*~~

~~(c) Notice of the filing of an appeal.~~

~~(1) Upon filing an appeal from an act or decision of the District Commission, the appellant shall notify all parties who had party status as of the end of the District Commission proceeding, all friends of the Commission, and the Natural Resources Board that an appeal is being filed. In addition, the appellant shall publish notice not more than 10 days after providing notice as required under this subsection, at the appellant's expense, in a newspaper of general circulation in the area of the project that is the subject of the decision. [Repealed.]~~

~~\* \* \*~~

~~(d) Requirement to participate before the District Commission or the Secretary.~~

~~(1) Participation before District Commission. An aggrieved person shall not appeal an act or decision that was made by a District Commission unless the person was granted party status by the District Commission pursuant to subdivision 6085(c)(1)(E) of this title, participated in the~~

~~proceedings before the District Commission, and retained party status at the end of the District Commission proceedings. In addition, the person may only appeal those issues under the criteria with respect to which the person was granted party status. However, notwithstanding these limitations, an aggrieved person may appeal an act or decision of the District Commission if the Environmental Judge determines that:~~

~~(A) there was a procedural defect that prevented the person from obtaining party status or participating in the proceeding;~~

~~(B) the decision being appealed is the grant or denial of party status;~~

~~or~~

~~(C) some other condition exists that would result in manifest injustice if the person's right to appeal was disallowed. [Repealed.]~~

~~(2) Participation before the Secretary.~~

~~\* \* \*~~

~~(e) Act 250 jurisdictional determinations by a district coordinator.~~

~~(1) The appellant shall provide notice of the filing of an appeal to each person entitled to notice under subdivisions 6085(c)(1)(A) through (D) of this title, to each person on an approved subdivision 6085(c)(1)(E) list, and to the Natural Resources Board.~~

~~(2) Failure to appeal within the time required under subsection (a) of this section shall render the decision of the district coordinator under~~



~~subsection 6007(e) of this title the final determination regarding jurisdiction under chapter 151 of this title unless the underlying jurisdictional opinion was not properly served on persons listed in subdivisions 6085(c)(1)(A) through (D) of this title and on persons on a subdivision 6085(c)(1)(E) list approved under subsection 6007(e) of this title. [Repealed.]~~

~~\*\*\*~~

~~(g) Consolidated appeals. The Environmental Division may consolidate or coordinate different appeals where those appeals all relate to the same project.~~

~~\*\*\*~~

~~(i) Deference to Agency technical determinations.—In the adjudication of appeals relating to land use permits under chapter 151 of this title, technical determinations of the Secretary shall be accorded the same deference as they are accorded by a District Commission under subsection 6086(d) of this title. [Repealed.]~~

~~\*\*\*~~

~~(k) Limitations on appeals. Notwithstanding any other provision of this section,~~

~~(1) there shall be no appeal from a District Commission decision when the Commission has issued a permit and no hearing was requested or held, or no motion to alter was filed following the issuance of an administrative amendment,~~

~~(2) a municipal decision regarding whether a particular application qualifies for a recorded hearing under 24 V.S.A. § 4471(b) shall not be subject to appeal;~~

~~(3) if a District Commission issues a partial decision under subsection 6086(b) of this title, any appeal of that decision must be taken within 30 days of the date of that decision.~~

~~(l) Representation. The Secretary may represent the Agency of Natural Resources in all appeals under this section. The Chair of the Natural Resources Board may represent the Board in any appeal under this section, unless the Board directs otherwise. If more than one State agency, other than the Board, either appeals or seeks to intervene in an appeal under this section, only the Attorney General may represent the interests of those agencies of the State in the appeal.~~

~~(m) Precedent. Prior decisions of the former Environmental Board, Water Resources Board, and Waste Facilities Panel shall be given the same weight and consideration as prior decisions of the Environmental Division.~~

~~(n) Intervention. Any person may intervene in a pending appeal if that person:~~

~~(1) appeared as a party in the action appealed from and retained party status;~~

~~(2) is a party by right,~~

~~(3) is the Natural Resources Board; [Repealed.]~~

~~(4) is a person aggrieved, as defined in this chapter;~~

~~(5) qualifies as an "interested person," as established in 24 V.S.A. § 4465, with respect to appeals under 24 V.S.A. chapter 117; or~~

~~(6) meets the standard for intervention established in the Vermont Rules of Civil Procedure.~~

~~(o) With respect to review of an act or decision of the Secretary pursuant to 3 V.S.A. § 2809, the Division may reverse the act or decision or amend an allocation of costs to an applicant only if the Division determines that the act, decision, or allocation was arbitrary, capricious, or an abuse of discretion. In the absence of such a determination, the Division shall require the applicant to pay the Secretary all costs assessed pursuant to 3 V.S.A. § 2809.~~

~~(p) Administrative record. The Secretary shall certify the administrative record as defined in chapter 170 of this title and shall transfer a certified copy of that record to the Environmental Division when:~~

~~(1) there is an appeal of an act or decision of the Secretary that is based on that record; or~~

~~(2) there is an appeal of a decision of a District Commission, and the applicant used a decision of the Secretary based on that record to create a presumption under a criterion of subsection 6086(a) of this title that is at issue in the appeal.~~

~~§ 8505. APPEALS TO THE SUPREME COURT~~

~~(a) Any person aggrieved by a decision of the Environmental Division pursuant to this subchapter, any party by right, or any person aggrieved by a decision of the Environmental Review Board may appeal to the Supreme Court within 30 days of following the date of the entry of the order or judgment appealed from, provided that:~~

~~(1) the person was a party to the proceeding before the Environmental Division; ~~or~~~~

~~(2) the decision being appealed is the denial of party status; or~~

~~(3) the Supreme Court determines that:~~

~~(A) there was a procedural defect that prevented the person from participating in the proceeding; or~~

~~(B) some other condition exists that would result in manifest injustice if the person's right to appeal were disallowed.~~

~~\*\*\*~~

~~\*\*\* Environmental Division \*\*\*~~

~~Sec. 14. 4 V.S.A. § 34 is amended to read:~~

~~§ 34. JURISDICTION; ENVIRONMENTAL DIVISION~~

~~The Environmental Division shall have:~~

~~(1) jurisdiction of matters arising under 10 V.S.A. chapters 201 and 220, and~~

~~(2) jurisdiction of matters arising under 24 V.S.A. chapter 61  
subchapter 12 and 24 V.S.A. chapter 117; and~~

~~(3) original jurisdiction to revoke permits under 10 V.S.A. chapter 151.~~

~~\*\*\* Transition; Revision Authority \*\*\*~~

~~Sec. 15. ENVIRONMENTAL REVIEW BOARD POSITIONS;~~

~~APPROPRIATION~~

~~(a) The following new positions are created at the Environmental Review  
Board for the purposes of carrying out this act:~~

~~(1) two Staff Attorneys; and~~

~~(2) four half-time Environmental Review Board members.~~

~~(b) The sum of \$484,000.00 is appropriated to the Environmental Review  
Board from the General Fund in fiscal year 2025 for the positions established  
in subsection (a) of this section and for additional operating costs required to  
implement the appeals process established in this act.~~

~~(b) In fiscal year 2025, \$112,500.00 is appropriated from the General Fund  
to the Natural Resources Board for the attorney positions established in  
subsection (a)(1) of this section.~~

~~Sec. 16. NATURAL RESOURCES BOARD TRANSITION~~

~~(a) The Governor shall appoint the members of Environmental Review  
Board on or before July 1, 2025, and the terms of any Natural Resources~~

~~Board member not appointed consistent with the requirements of 10 V.S.A. § 6021(a)(1)(A) or (B) shall expire on that day.~~

~~(b) As of July 1, 2025, all appropriations and employee positions of the Natural Resources Board are transferred to the Environmental Review Board.~~

~~(c) The Environmental Review Board shall adopt rules of procedure for its hearing process pursuant to 10 V.S.A. § 6025(a) on or before October 1, 2026.~~

~~Sec. 17. ENVIRONMENTAL DIVISION; CONTINUED JURISDICTION~~

~~Notwithstanding the repeal of its jurisdictional authority to hear appeals relative to land use permits under Sec. 13 of this act, the Environmental Division of the Superior Court shall continue to have jurisdiction to complete its consideration of any appeal that is pending before it as of October 1, 2026 if the act or appeal has been filed. The Environmental Review Board shall have authority to be a party in any appeals pending under this section until October 1, 2026.~~

~~Sec. 18. REVISION AUTHORITY~~

~~In preparing the Vermont Statutes Annotated for publication in 2024, the Office of Legislative Counsel shall replace all references to the “Natural Resources Board” with the “Environmental Review Board” in Title 3, Title 10, Title 24, Title 29, Title 30, and Title 32.~~

~~\*\*\* Forest Blocks \*\*\*~~

~~Sec. 19. 10 V.S.A. § 6001 is amended to read.~~

§ 6001. DEFINITIONS.

*As used in this chapter:*

\* \* \*

(47) “Habitat connector” means land or water, or both, that links patches of habitat within a landscape, allowing the movement, migration, and dispersal of wildlife and plants and the functioning of ecological processes. A habitat connector may include features including recreational trails and improvements constructed for farming, logging, or forestry purposes.

(48) “Forest block” means a contiguous area of forest in any stage of succession and not currently developed for nonforest use. A forest block may include features including recreational trails, wetlands, or other natural features that do not themselves possess tree cover and improvements constructed for farming, logging, or forestry purposes.

(49) “Habitat” means the physical and biological environment in which a particular species of plant or wildlife lives.

*Sec. 20. 10 V.S.A. § 6086(a)(8) is amended to read:*

(8) Ecosystem protection; scenic beauty; historic sites.

(A) Scenic beauty, historic sites, and rare and irreplaceable natural areas. Will not have an undue adverse effect on the scenic or natural beauty of the area, aesthetics, historic sites, or rare and irreplaceable natural areas.

~~(1)(B) Necessary wildlife habitat and endangered species. A permit will not be granted if it is demonstrated by any party opposing the applicant that a development or subdivision will destroy or significantly imperil necessary wildlife habitat or any endangered species; and:~~

~~(i) the economic, social, cultural, recreational, or other benefit to the public from the development or subdivision will not outweigh the economic, environmental, or recreational loss to the public from the destruction or imperilment of the habitat or species; or~~

~~(ii) all feasible and reasonable means of preventing or lessening the destruction, diminution, or imperilment of the habitat or species have not been or will not continue to be applied, or~~

~~(iii) a reasonably acceptable alternative site is owned or controlled by the applicant which would allow the development or subdivision to fulfill its intended purpose.~~

~~(C) Forest blocks and habitat connectors. A permit will not be granted for a development or subdivision within or partially within a forest block or habitat connector unless the applicant demonstrates that a project will not result in an undue adverse impact on the forest block or habitat connector. If a project as proposed would result in an undue adverse impact, a permit may only be granted if effects are avoided, minimized, or mitigated as allowed in accordance with rules adopted by the Board.~~



~~Sec. 21. CRITERION 8(C) RULEMAKING~~

~~(a) The Environmental Review Board (Board), in collaboration with the Agency of Natural Resources, shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6086(a)(8)(C). It is the intent of the General Assembly that these rules discourage fragmentation of the forest blocks and habitat connectors by encouraging clustering of development.~~

~~Rules adopted by the Board shall include:~~

~~(1) How forest blocks and habitat connectors are further defined, including their size, location, and function, which may include:~~

~~(A) information that will be available to the public to determine where forest blocks and habitat connectors are located; or~~

~~(B) advisory mapping resources, how they will be made available, how they will be used, and how they will be updated.~~

~~(2) Standards establishing how impacts can be avoided or minimized, including how fragmentation of forest blocks or habitat connectors is avoided or minimized, which may include steps to promote proactive site design of buildings, roadways and driveways, utility location, and location relative to existing features such as roads, tree lines, and fence lines.~~

~~(3)(A) As used in this section “fragmentation” generally means dividing land that has naturally occurring vegetation and ecological processes into smaller areas as a result of land uses that remove vegetation and create~~

~~*physical barriers that limit species' movement and interrupt ecological processes between previously connected natural vegetation. However, the rules shall further define "fragmentation" for purposes of avoiding, minimizing, and mitigating undue adverse impacts on forest blocks and habitat connectors. "Fragmentation" does not include the division or conversion of a forest block or habitat connector by an unpaved recreational trail or by improvements constructed for farming, logging, or forestry purposes below the elevation of 2,500 feet.*~~

~~*(B) As used in this subsection, "recreational trail" has the same meaning as "trails" in 10 V.S.A. § 442.*~~

~~*(4) Criteria to identify the circumstances when a forest block or habitat connectors is eligible for mitigation. As part of this, the criteria shall identify the circumstances when the function, value, unique sensitivity, or location of the forest block or habitat connector would not allow mitigation.*~~

~~*(5) Standards for how impacts to a forest block or habitat connectors may be mitigated. Standards may include:*~~

~~*(A) appropriate ratios for compensation;*~~

~~*(B) appropriate forms of compensation such as conservation easements, fee interests in land, and other forms of compensation; and*~~

~~*(C) appropriate uses of on-site and off-site mitigation.*~~

~~(b) The Board shall convene a working group of stakeholders to provide input to the rule prior to prefiling with the Interagency Committee on Administrative Rules. The Board shall convene the working group on or before July 1, 2025.~~

~~(c) The Board shall file a final proposed rule with the Secretary of State and Legislative Committee on Administrative Rules on or before June 15, 2026.~~

~~Sec. 22. 10 V.S.A. § 127 is amended to read:~~

~~§ 127. RESOURCE MAPPING~~

~~(a) On or before January 15, 2012, the The Secretary of Natural Resources shall complete and maintain resource mapping based on the Geographic Information System (GIS) or other technology. The mapping shall identify natural resources throughout the State, including forest blocks and habitat connectors, that may be 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 provide assistance to the Secretary in carrying out the GIS-based resource mapping.~~

~~(b) The Secretary of Natural Resourees 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~~

~~20 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.~~

~~\*\*\* Wood products manufacturers \*\*\*~~

~~Sec. 23. 10 V.S.A. § 6093 is amended to read:~~

~~§ 6093. MITIGATION OF PRIMARY AGRICULTURAL SOILS~~

~~(a) Mitigation for loss of primary agricultural soils. Suitable mitigation for the conversion of primary agricultural soils necessary to satisfy subdivision 6086(a)(9)(B)(iv) of this title shall depend on where the project tract is located.~~

~~\*\*\*~~

~~(5) Wood products manufacturers. Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils by a wood products manufacturer shall be allowed to pay a mitigation fee computed according to the provisions of subdivision (1) of this subsection, except that it shall be entitled to a ratio of 1:1 protected acres to acres of affected primary agricultural soil.~~

*Sec. 23a. 24 V.S.A. § 4412(11) is amended to read:*

*(11) Accessory on-farm businesses. No bylaw shall have the effect of prohibiting an accessory on-farm business at the same location as a farm.*

*(A) Definitions. As used in this subdivision (11):*

*(i) "Accessory on-farm business" means activity ~~that is accessory to~~ on a farm, the revenues of which may exceed the revenues of the farming operation, and comprises one or both of the following:*

*(I) The storage, preparation, processing, and sale of qualifying products, provided that more than 50 percent of the total annual sales are from the qualifying products that are produced on the a farm at which the business is located; the sale of products that name, describe, or promote the farm or accessory on-farm business, including merchandise or apparel that features the farm or accessory on-farm business; or the sale of bread or baked goods baked in the State.*

*\* \* \**

*(iv) "Qualifying product" means a product that is ~~wholly~~ principally:*

*(I) an agricultural, horticultural, viticultural, or dairy commodity, or maple syrup;*

*(II) livestock or cultured fish or a product thereof;*

~~(III) a product of poultry, bees, an orchard, or fiber crops;~~

~~(IV) a commodity otherwise grown or raised on a farm; or~~

~~(V) a product manufactured on one or more farms from  
commodities wholly grown or raised on one or more farms.~~

~~\* \* \*~~

~~Sec. 23b. 10 V.S.A. § 6081 is amended to read:~~

~~§ 6081. PERMITS REQUIRED; EXEMPTIONS~~

~~\* \* \*~~

~~(t) No permit or permit amendment is required for the construction of improvements for an accessory on-farm business for the storage or sale of qualifying products or the other eligible enumerated products as defined in 24 V.S.A. § 4412(11)(A)(i)(I). No permit or permit amendment is required for the construction of improvements for an accessory on-farm business for the preparation or processing of qualifying products as defined in 24 V.S.A. § 4412(11)(A)(i)(I), provided that more than 50 percent of the total annual sales of the prepared or processed qualifying products come from products produced on the farm where the business is located. This subsection shall not apply to the construction of improvements related to hosting events or farm stays as part of an accessory on-farm business as defined in 24 V.S.A. § 4412(11)(A)(i)(II).~~

~~\* \* \*~~

Road Rule

*Sec. 24. 10 V.S.A. § 6001(3)(A)(xii) is added to read:*

*(xii) The construction of a road or roads and any associated driveways to provide access to or within a tract of land owned or controlled by a person. For the purposes of determining jurisdiction under this subdivision, any new development or subdivision on a parcel of land that will be provided access by the road and associated driveways is land involved in the construction of the road. Jurisdiction under this subdivision shall not apply unless the length of any single road is greater than 800 feet, and the length all roads and any associated driveways in combination is greater than 2,000 feet. As used in this subdivision (xii), "roads" shall include any new road or improvement to a Class IV road by a private person, including roads that will be transferred to or maintained by a municipality after their construction or improvement. For the purpose of determining the length of any road and associated driveways, the length of all other roads and driveways within the tract of land constructed after ~~July 1, 2024~~ July 1, 2026 shall be included. This subdivision shall not apply to a State or municipal road, a utility corridor of an electric transmission or distribution company, or a road used primarily for farming or forestry purposes. The conversion of a road used for farming or forestry purposes that also meets the requirements of this subdivision shall ~~constitute development. This subdivision shall not apply to development within~~*

~~a Tier 1A area established in accordance with 10 V.S.A. § 6034 or a Tier 1B area established in accordance with 10 V.S.A. § 6033. The intent of this subdivision (xii) is to encourage the design of clustered subdivisions and development that does not fragment Tier 2 areas or Tier 3 areas.~~

Sec. 25. RULEMAKING; ROAD CONSTRUCTION

~~The Natural Resources Board may adopt rules providing additional specificity to the necessary elements of 10 V.S.A. § 6001(3)(A)(xii). It is the intent of the General Assembly that any rules encourage the design of clustered subdivisions and development that does not fragment Tier 2 areas or Tier 3 areas.~~

~~\*\*\* Location-Based Jurisdiction \*\*\*~~

~~Sec. 26. 10 V.S.A. § 6001 is amended to read:~~

~~§ 6001. DEFINITIONS~~

~~As used in this chapter:~~

~~\*\*\*~~

~~(3)(A) "Development" means each of the following:~~

~~(i) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than 10 acres of land within a radius of five miles of any point on any involved land, for commercial or industrial purposes in a municipality that has adopted permanent zoning and subdivision bylaws.~~



*(ii) The construction of improvements on a tract or tracts of land owned or controlled by a person, involving more than one acre of land within a radius of five miles of any point on any involved land, for commercial or industrial purposes in a municipality that has not adopted permanent zoning and subdivision bylaws.*

*(iii) The construction of improvements for commercial or industrial purposes on a tract or tracts of land, owned or controlled by a person, involving more than one acre of land within a municipality that has adopted permanent zoning and subdivision bylaws, if the municipality in which the proposed project is located has elected by ordinance, adopted under 24 V.S.A. chapter 59, to have this jurisdiction apply.*

*(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction or maintenance of mobile homes or mobile home parks, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years. However:*

*\* \* \**

*(vi) The construction of improvements for commercial, industrial, or residential use at or above the elevation of 2,500 feet.*

~~(viii) The construction of improvements for commercial industrial, or residential purpose in a Tier 3 area as determined by rules adopted by the Board.~~

~~\*\*\*~~

~~(45) “Tier 2” means an area that is not a Tier 1 area or a Tier 3 area.~~

~~(46) “Tier 3” means an area consisting of critical natural resources which may include river corridors, headwaters streams, habitat connectors of Statewide significance, and as may be further defined by the Board.~~

~~Sec. 27. TIER 3 RULEMAKING~~

~~(a) The Environmental Review Board in consultation with the Secretary of Natural Resources shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6001(3)(A)(xiii) and 10 V.S.A. § 6001(46). The Board shall review the definition of Tier 3 area and its use in 10 V.S.A. chapter 151 and recommend any additional significant natural resources that should be added to the definition. It is the intent of the General Assembly that these rules address the protection of critical natural resources. Rules adopted by the Board shall include:~~

~~(1) any necessary clarifications to how the Tier 3 definition is used in 10 V.S.A. Chapter 151.~~

~~(2) any necessary changes to how 10 V.S.A. § 6001(3)(4)(viii) should be administered, and when jurisdiction should be triggered to protect the functions and values of resources of Statewide significance;~~

~~(3) the process for how Tier 3 areas will be mapped or identified by Agency of Natural Resources and the Board; and~~

~~(4) other policies or programs that shall be developed to review development impacts to Tier 3 areas if they are not included in 10 V.S.A. § 6001(46).~~

~~(b) On or before January 1, 2025, the Board shall convene a working group of stakeholders to provide input to the rule prior to pre-filing with the Interagency Committee on Administrative Rules. The working group shall include representation from regional planning commissions, environmental groups, science and ecological research organizations, woodland or forestry organizations, the Vermont Housing and Conservation Board, the Vermont Chamber of Commerce, the League of Cities of Towns, the Land Access and Opportunity Board, and other stakeholders.~~

~~(b) On or before January 1, 2025, the Board shall convene a working group of stakeholders to provide input to the rule prior to pre-filing with the Interagency Committee on Administrative Rules. The working group shall include representation from regional planning commissions, environmental groups, science and ecological research organizations, woodland or forestry~~

~~organizations, the Vermont Housing and Conservation Board, the Vermont Chamber of Commerce, the League of Cities of Towns, the Land Access and Opportunity Board, and other stakeholders, such as the Vermont Ski Areas Association, the Department of Taxes, Division of Property Valuation and Review, the Department of Forests, Parks and Recreation, the Vermont Woodlands Association, and the Professional Logging Contractors of the Northeast.~~

~~(c) The Board shall file a final proposed rule with the Secretary of State and Legislative Committee on Administrative Rules on or before February 1, 2026.~~

~~(d) During the rule development, the stakeholder group established under subsection (b) of this section shall solicit participation from representatives of municipalities and landowners that host Tier 3 critical resource areas on their properties to determine the responsibilities and education needed to understand, manage, and interact with the resources.~~

~~\*\*\* Tier 1 Areas \*\*\*~~

~~Sec. 28. 10 V.S.A. § 6033 is added to read:~~

~~§ 6033. REGIONAL PLAN FUTURE LAND USE MAP REVIEW~~

~~(a) The Board shall review requests from regional planning commissions to approve or disapprove portions of future land use maps for the purpose of changing jurisdictional thresholds under this chapter by identifying areas on~~

~~future land use maps for Tier 1B area status and to approve designations pursuant to 24 V.S.A. chapter 139. The Board may produce guidelines for regional planning commissions seeking Tier 1B area status. If requested by the regional planning commission, the Board shall complete this review concurrently with regional plan approval. A request for Tier 1B area status made by a regional planning commission separate from regional plan approval shall follow the process set forth in 24 V.S.A. § 4348.~~

~~(b) The Board shall review the portions of future land use maps that include downtowns or village centers, planned growth areas, and village areas to ensure they meet the requirements under 24 V.S.A. §§ 5803 and 5804 for designation as downtown and village centers and neighborhood areas.~~

~~(c) To obtain a Tier 1B area status under this section the regional planning commission shall demonstrate to the Board that the municipalities with Tier 1B areas meet the following requirements as included in subsection 24 V.S.A. § 4348a(a)(12)(C):~~

~~(A) The municipality has requested to have the area mapped for Tier 1B.~~

~~(B) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with 24 V.S.A. § 4350.~~

~~(C) The municipality has adopted permanent zoning and subdivision bylaws in accordance with 24 V.S.A. §§ 4414, 4418, and 4442.~~

~~(D) The area excludes 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 unless the municipality has adopted flood hazard and river corridor bylaws applicable to the entire municipality that are consistent with the standards established pursuant to subsection 755(b) of this title (flood hazard) and subsection 1428(b) of this title (river corridor).~~

~~(E) The municipality has water supply, wastewater infrastructure, or soils that can accommodate a community system for compact housing development in the area proposed for Tier 1B.~~

~~(F) Municipal staff adequate to support development review and zoning administration in the Tier 1B area.~~

~~(F) Municipal staff or contracted capacity adequate to support development review and zoning administration in the Tier 1B area.~~

~~Sec. 28a. 10 V.S.A. § 6001(3)(A)(xi) is amended to read:~~

~~(xi) Notwithstanding any other provision of law to the contrary, until July 1 December 31, 2026, the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 25 or more units, constructed or maintained on a tract or tracts of land, located entirely within a designated downtown development district, a designated neighborhood development area, a designated village center with permanent~~

~~zoning and subdivision bylaws, or a designated growth center, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years. For purposes of this subsection subdivision, the construction of four units or fewer of housing in an existing structure shall only count as one unit towards the total number of units.~~

~~Sec. 28b. 10 V.S.A. § 6001(3)(D)(viii)(III) is amended to read:~~

~~(III) Notwithstanding any other provision of law to the contrary, until July 1 December 31, 2026, the construction of a priority housing project located entirely within a designated downtown development district, designated neighborhood development area, or a designated growth center.~~

~~Sec. 28c. 2023 Acts and Resolves No. 47, Sec. 16a is amended to read:~~

~~Sec. 16a. ACT 250 EXEMPTION REQUIREMENTS~~

~~In order to qualify for the exemptions established in 10 V.S.A. § 6001 (3)(A)(xi) and (3)(D)(viii)(III), a person shall request a jurisdictional opinion under 10 V.S.A. § 6007 on or before ~~June 30~~ December 30, 2026. The jurisdictional opinion shall require the project to substantially complete construction on or before June 30, 2029 in order to remain exempt.~~

~~Sec. 29. 10 V.S.A. § 6034 is added to read:~~

~~§ 6034. TIER 1A AREA STATUS~~

~~(a) Application and approval.~~

~~(1) Beginning on ~~January 1, 2023~~ January 1, 2026, a municipality by resolution of its legislative body, may apply to the Environmental Review Board for Tier 1A status for the area of the municipality that is suitable for dense development and meets the requirements of subsection (b) of this section.~~

~~(2) The Board shall issue an affirmative determination on finding that the municipality meets the requirements of subsection (b) of this section within 45 days after the application is received.~~

~~(b) Tier 1A area status requirements.~~

~~(1) To obtain a Tier 1A area status under this section, a municipality shall demonstrate to the Board that it has each of the following:~~

~~(A) A municipal plan that is approved in accordance with 24 V.S.A. § 4350.~~

~~(B) Municipal flood hazard planning, applicable to the entire municipality, in accordance with 24 V.S.A. § 4382(12) and the guidelines issued by the Department pursuant to 24 V.S.A. chapter 139.~~

~~(C) Flood hazard and river corridor bylaws, applicable to the entire municipality, that are consistent with the standards established pursuant to subsection 755(b) of this title (flood hazard) and subsection 1428(b) of this title (river corridor) or the proposed Tier 1A area excludes the flood hazard areas and river corridor.~~



~~(C) Flood hazard and river corridor bylaws, applicable to the entire municipality, that are consistent with or stronger than the standards established pursuant to subsection 755(b) of this title (flood hazard) and subsection 1428(b) of this title (river corridor) or the proposed Tier 1A area excludes the flood hazard areas and river corridor.~~

~~(D) A capital budget and program pursuant to 24 V.S.A. § 4430 that make substantial investments in the ongoing development of the Tier 1A area, are consistent with the plan's implementation program, and are consistent with the smart growth principles defined in 24 V.S.A. chapter 139.~~

~~(E) Permanent zoning and subdivision bylaws that do not include broad exemptions that exclude significant private or public land development from requiring a municipal land use permit.~~

~~(F) Urban form bylaws for the Tier 1A area that further the smart growth principles of 24 V.S.A. chapter 139, adequately regulate the physical form and scale of development, with reasonable provision for a portion of the areas with sewer and water to allow at least four stories, and conform to the guidelines established by the Board.~~

~~(G) Historic preservation bylaws for established design review districts, historic districts, or historic landmarks pursuant to 24 V.S.A. § 4414(I)(E) and (F) for the portion of the Tier 1A area that meet State~~

~~historic preservation guidelines issued by the Department of Housing and  
Community Development pursuant to 24 V.S.A. chapter 139.~~

~~(H) Wildlife habitat planning bylaws for the Tier 1A area that protect  
significant natural communities; rare, threatened, and endangered species;  
and river corridors or exclude these areas from the proposed Tier 1A area.~~

~~(I) Permitted water and wastewater systems with the capacity to  
support additional development within the Tier 1A area. The municipality  
shall have adopted consistent policies, by municipal plan and ordinance, on  
the allocation, connection, and extension of water and wastewater lines that  
include a defined and mapped service area to support the Tier 1A area.~~

~~(J) Municipal staff adequate to support coordinated comprehensive  
and capital planning, development review, and zoning administration in the  
Tier 1A area.~~

~~(K) The applicable regional plan has been approved by the Board.~~

~~(2) If any party entitled to notice under subdivision (c)(4)(A) of this  
section or any resident of the municipality raises concerns about the  
municipality's compliance with the requirements, those concerns shall be  
addressed as part of the municipality's application.~~

~~(c) Process for issuing determinations of Tier 1A area status.~~

~~(1) A preapplication meeting shall be held with the Board staff,  
municipal staff, and staff of the relevant regional planning commission (RPC).~~

~~to review the requirements of subsection (b) of this section. The meeting shall be held in person or electronically.~~

~~(2) An application by the municipality shall include the information and analysis required by the Board's guidelines on how to meet the requirements of subsection (b) of this section.~~

~~(3) After receipt of a complete final application, the Environmental Review Board shall convene a public hearing in the municipality to consider whether to issue a determination of Tier 1A area status under this section.~~

~~(A) Notice.~~

~~(i) At least 35 days in advance of the Board's meeting, the regional planning commission shall post notice of the meeting on its website.~~

~~(ii) The municipality shall publish notice of the meeting at least 30 days and 15 days in advance of the Board's meeting in a newspaper of general circulation in the municipality, and deliver physically or electronically, with proof of receipt or by certified mail, return receipt requested to the Agency of Natural Resources; the Division for Historic Preservation; the Agency of Agriculture Food and Markets; the Agency of Transportation; the regional planning commission; the regional development corporations; and the entities providing educational, police, and fire services to the municipality.~~

~~(iii) The notice shall also be posted by the municipality in or near the municipal clerk's office and in at least two other designated public places~~

~~in the municipality, on the websites of the municipality and the regional planning commission, and on any email lists or social media that the municipality uses.~~

~~(iv) The municipality shall also certify in writing that the notice required by this subsection (c) has been published, delivered, and posted within the specified time.~~

~~(v) Notice of an application for Tier 1A area status shall be delivered physically or electronically with proof of receipt or sent by certified mail, return receipt requested, to each of the following:~~

~~(I) the chair of the legislative body of each adjoining municipality;~~

~~(II) the executive director of each abutting regional planning commission;~~

~~(III) the Department of Housing and Community Development and the Community Investment Board for a formal review and comment; and~~

~~(IV) business, conservation, low-income advocacy, and other community or interest groups or organizations that have requested notice in writing prior to the date the hearing is warned.~~

~~(B) No defect in the form or substance of any requirements of this subsection (c) shall invalidate the action of the Board where reasonable efforts are made to provide adequate posting and notice. However, the action shall be~~

~~invalid when the defective posting or notice was materially misleading in content. If an action is ruled to be invalid by the Superior Court or by the Board itself, the municipality shall issue new posting and notice, and the Board shall hold a new hearing and take a new action.~~

~~(4) The Board may recess the proceedings on any application pending submission of additional information. The Board shall close the proceedings promptly after all parties have submitted the requested information.~~

~~(5) The Board shall issue its determination in writing. The determination shall include explicit findings on each of the requirements in subsection (b) of this section.~~

~~(d) Review of status.~~

~~(1) Initial determination of status may be made at any time. Thereafter, review of a status shall occur every eight years with a check-in after four years.~~

~~(2) The Board, on its motion, may review compliance with the Tier 1A area requirements at more frequent intervals.~~

~~(3) If at any time the Board determines that the Tier 1A area no longer meets the standards for the status, it shall take one of the following actions:~~

~~(A) require corrective action within a reasonable time frame; or~~

~~(B) terminate the status.~~

~~(e) Appeal.~~

(1) An interested person may appeal any act or decision of the Board under this section to the Supreme Court within 30 days following the act or decision.

(2) As used in this section, an “interested person” means any one of the following:

(A) A person owning title to or occupying property within or abutting the Tier 1A area.

(B) The municipality making the application or a municipality that adjoins the municipality making the application.

(C) The RPC for the region that includes the Tier 1A area or a RPC whose region adjoins the municipality in which the Tier 1A area is located.

(D) Any 20 persons who, by signed petition, allege that the decision is not in accord with the requirements of this chapter, and who own or occupy real property located within the municipality in which the Tier 1A area is located or an adjoining municipality. The petition must designate one person to serve as the representative of the petitioners regarding all matters related to the appeal. The designated representative must have participated in the public hearing described in subdivision (c)(4) of this section.

(E) Any person entitled to receive notice under this section that participated in the Board’s hearing on an application.

~~Sec. 30. TIER 1A AREA GUIDELINES~~

~~On or before January 1, 2026, the Environmental Review Board shall publish guidelines to direct municipalities seeking to obtain the Tier 1A area status.~~

~~Sec. 31. 24 V.S.A. § 4382 is amended to read:~~

~~§ 4382. THE PLAN FOR A MUNICIPALITY~~

~~(a) A plan for a municipality shall be consistent with the goals established in section 4302 of this title and compatible with approved plans of other municipalities in the region and with the regional plan and shall include the following:~~

~~\* \* \*~~

~~(2) A land use plan, which shall consist of a map and statement of present and prospective land uses, that:~~

~~\* \* \*~~

~~(C) Identifies those areas, if any, proposed for designation under chapter 76A 139 of this title and for status under 10 V.S.A. §§ 6033 and 6034, together with, for each area proposed for designation, an explanation of how the designation would further the plan's goals and the goals of section 4302 of this title, and how the area meets the requirements for the type of designation to be sought.~~

~~Sec. 32. 10 V.S.A. § 6081 is amended to read:~~

~~§ 6081. PERMITS REQUIRED; EXEMPTIONS~~

~~\* \* \*~~

~~(z)(1) Notwithstanding any other provision of this chapter to the contrary, no permit or permit amendment is required for any subdivision, development, or change to an existing project that is located entirely within a Tier 1A area under section 6034 of this chapter.~~

~~(2) Notwithstanding any other provision of this chapter to the contrary, no permit or permit amendment is required for 50 units or fewer of housing on 10 acres or less located entirely within a Tier 1B area approved by the Board under section 6033 of this chapter.~~

~~(2) Notwithstanding any other provision of this chapter to the contrary, no permit or permit amendment is required within a Tier 1B area approved by the Board under section 6033 of this chapter for 50 units or fewer of housing on a tract or tracts of land involving 10 acres or less or for mixed-use development with 50 units or fewer of housing on a tract or tracts of land involving 10 acres or less.~~

~~(3) Upon receiving notice and a copy of the permit issued by an appropriate municipal panel pursuant to 24 V.S.A. § 4460(f), a previously issued permit for a development or subdivision located in a Tier 1A area shall remain attached to the property. However, neither the Board nor the Agency of~~



~~Natural Resources shall enforce the permit or assert amendment jurisdiction on the tract or tracts of land unless the designation is revoked or the municipality has not taken any action to enforce the conditions of the permit.~~

~~(aa) No permit amendment is required for the construction of improvements for a hotel or motels converted to permanently affordable housing developments as defined in 24 V.S.A. § 4303(2).~~

~~(bb) No permit or permit amendment is required for the construction of improvements for an accessory dwelling unit as defined in 24 V.S.A. § 4303.~~

~~(cc) No permit amendment is required for the construction of improvements for converting a structure used for a commercial purpose to 29 or fewer housing units.~~

~~Sec. 33. 24 V.S.A. § 4460 is amended to read:~~

~~§ 4460. APPROPRIATE MUNICIPAL PANELS~~

~~\* \* \*~~

~~(g)(1) This subsection shall apply to a subdivision or development that:~~

~~(A) was previously permitted pursuant to 10 V.S.A. chapter 151;~~

~~(B) is located in a Tier 1A area pursuant to 10 V.S.A. § 6034; and~~

~~(C) has applied for a permit or permit amendment required by zoning regulations or bylaws adopted pursuant to this subchapter.~~

~~(2) The appropriate municipal panel reviewing a municipal permit or permit amendment pursuant to this subsection shall include condition~~

~~contained within a permit previously issued pursuant to 10 V.S.A. chapter 151  
unless the panel determines that the permit condition pertains to any of the  
following:~~

~~(A) the construction phase of the project that has already been  
constructed;~~

~~(B) compliance with another State permit that has independent  
jurisdiction;~~

~~(C) federal or State law that is no longer in effect or applicable;~~

~~(D) an issue that is addressed by municipal regulation and the  
project will meet the municipal standards; or~~

~~(E) a physical or use condition that is no longer in effect or  
applicable or that will no longer be in effect or applicable once the new  
project is approved.~~

~~(3) After issuing or amending a permit containing conditions pursuant  
to this subsection, the appropriate municipal panel shall provide notice and a  
copy of the permit to the Environmental Review Board.~~

~~(4) The appropriate municipal panel shall comply with the notice and  
hearing requirements provided in subdivision 4464(a)(1) of this title. In  
addition, notice shall be provided to those persons requiring notice under  
10 V.S.A. § 6084(b) and shall explicitly reference the existing Act 250 permit.~~

~~(5) The appropriate municipal panel's decision shall be issued in accordance with subsection 4464(b) of this title and shall include specific findings with respect to its determinations pursuant to subdivision (2) of this subsection.~~

~~(6) Any final action by the appropriate municipal panel affecting a condition of a permit previously issued pursuant to 10 V.S.A. chapter 151 shall be recorded in the municipal land records.~~

~~(h) Within a designated Tier 1A area, the appropriate municipal panel shall enforce any existing permits issued under 10 V.S.A. chapter 151 that has not had its permit conditions transferred to a municipal permit pursuant to subsection (g).~~

*Sec. 34. TIER 2 AREA REPORT*

~~(a) On or before February 15, 2026, the Environmental Review Board shall report recommendations to address Act 250 jurisdiction in Tier 2 areas. The recommendations shall:~~

~~(1) recommend statutory changes to address fragmentation of rural and working lands while allowing for development review;~~

~~(2) address how to apply location-based jurisdiction to Tier 2 areas while meeting the Statewide planning goals, including how to address commercial development and which shall also include.~~

~~(A) review of the effectiveness of mitigation of impacts on primary agricultural soils and make recommendations for how to improve protections for this natural resource;~~

~~(B) review of the effectiveness of jurisdictional triggers for development of retail and service businesses outside of village centers, and criterion 9(L), in addressing sprawl and strip development, and how to improve the effectiveness of criterion 9(L);~~

~~(C) review how the Act 250 permit process has been working for forest processing facilities, including 10 V.S.A. § 6084(g), and any identified shortcomings or challenges. The report shall look at permitting holistically to understand the role of permits from the Agency of Natural Resources, municipal permits, where they apply, and Act 250, and develop recommendations to find efficiencies in the permitting process, or recommendations to develop an alternative permit program to support forest processing facilities, while still addressing relevant environmental or community impacts, and~~

~~(D) (C) review whether and how Act 250 jurisdiction over commercial activities on farms should be revised, including accessory on-farm businesses.~~

~~(b) The report shall be submitted to the House Committees on Agriculture, Food Resiliency, and Forestry and on Environment and Energy and the Senate Committees on Agriculture and on Natural Resources and Energy.~~

~~Sec. 34a. WOOD PRODUCTS MANUFACTURERS REPORT~~

~~(a) The Natural Resources Board, in consultation with the Department of Forests, Parks and Recreation, shall convene a stakeholder group to report on how to address the Act 250 permitting process to better support wood products manufacturers and their vital role in the forest economy.~~

~~(b) The group shall examine the Act 250 permitting process and identify how the minor permit process provided for in 10 V.S.A. § 6084(g) has been working and whether there are shortcomings or challenges.~~

~~(c) The group may look at permitting holistically to understand the role of permits from the Agency of Natural Resources, municipal permits, where they apply, and Act 250 permits and develop recommendations to find efficiencies in the entire process or recommend an alternative permitting process for wood products manufacturers.~~

~~(d) On or before December 15, 2024, the Natural Resources Board shall submit the report to the House Committees on Agriculture, Food Resiliency, and Forestry and on Environment and Energy and the Senate Committees on Agriculture and on Natural Resources and Energy.~~

~~Sec. 34b. LOCATION-BASED JURISDICTION REVIEW~~

~~*On or before February 1, 2020, the Environmental Review Board shall review and report on the new Tier jurisdiction framework used to establish location-based jurisdiction for 10 V.S.A. chapter 151. The Board shall report on the outcomes and outline successes and any changes that are needed. The Board shall undertake an in-depth review of the Act 250 updates, including the duties and responsibilities of all the staff and the Board itself, specifically whether the updates have reduced appeals and whether the updates have created more equity and cohesion amongst the District Commissions and district coordinators.*~~

*Sec. 35. AFFORDABLE HOUSING DEVELOPMENT REGULATORY  
INCENTIVES STUDY*

~~*(a) The Department of Housing and Community Development, the Vermont Housing and Conservation Board, the Land Access and Opportunity Board, and the Vermont Housing Finance Agency shall:*~~

~~*(1) engage with diverse stakeholders including housing developers, local government officials, housing advocacy organizations, financial institutions, and community members to identify regulatory policies that incentivize mixed-income, mixed-use development and support affordable housing production as a percentage of new housing units in communities throughout the State, including examining the impact of inclusionary zoning;*~~  
~~*and*~~

~~(2) develop recommendations for legislative, regulatory, and administrative actions to improve and expand affordable housing development incentives within State designated areas.~~

~~(b) On or before December 15, 2024, the Department of Housing and Community Development shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs and on Natural Resources and Energy, and the House Committees on General and Housing and on Environment and Energy with its findings and recommendations.~~

~~\*\*\* Future Land Use Maps \*\*\*~~

~~Sec. 36. 24 V.S.A. § 4302 is amended to read:~~

~~§4302. PURPOSE; GOALS~~

~~\*\*\*~~

~~(c) In addition, this chapter shall be used to further the following specific goals:~~

~~(1) To plan development so as to maintain the historic settlement pattern of compact village and urban centers separated by rural countryside.~~

~~(A) Intensive residential development should be encouraged primarily in areas related to community centers downtowns, village centers, planned growth areas, and village areas as described in section 4348a of this title, and strip development along highways should be discouraged should be avoided. These areas should be planned so as to accommodate a substantial~~

~~majority of housing needed to reach the housing targets developed for each region pursuant to subdivision 4348a(a)(9) of this title.~~

~~(B) Economic growth should be encouraged in locally and regionally designated growth areas, employed to revitalize existing village and urban centers, or both; ~~and should be encouraged in growth centers designated under chapter 76A of this title.~~~~

~~(C) Public investments, including the construction or expansion of infrastructure, should reinforce the ~~general character and~~ planned growth patterns of the area.~~

~~(D) Development should be undertaken in accordance with smart growth principles as defined in subdivision 2791(13) of this title.~~

~~\*\*\*~~

~~(5) To identify, protect, and preserve important natural and historic features of the Vermont landscape, including:~~

~~(A) significant natural and fragile areas;~~

~~(B) outstanding water resources, including lakes, rivers, aquifers, shorelands, and wetlands;~~

~~(C) significant scenic roads, waterways, and views;~~

~~(D) important historic structures, sites, or districts, archaeological sites, and archaeologically sensitive areas.~~



~~(6) To maintain and improve the quality of air, water, wildlife, forests, and other land resources.~~

~~(A) Vermont's air, water, wildlife, mineral, and land resources should be planned for use and development according to the principles set forth in 10 V.S.A. § 6086(a).~~

~~(B) Vermont's water quality should be maintained and improved according to the policies and actions developed in the basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253.~~

~~(C) Vermont's forestlands should be managed so as to maintain and improve forest blocks and habitat connectors.~~

~~\* \* \*~~

~~(11) To ensure the availability of safe and affordable housing for all Vermonters.~~

~~(A) Housing should be encouraged to meet the needs of a diversity of social and income groups in each Vermont community, particularly for those citizens of low and moderate income, and consistent with housing targets provided for in subdivision 4348a(a)(9) of this title.~~

~~(B) New and rehabilitated housing should be safe, sanitary, located conveniently to employment and commercial centers, and coordinated with the provision of necessary public facilities and utilities.~~

~~(C) Sites for multi-family multifamily and manufactured housing should be readily available in locations similar to those generally used for single-family conventional dwellings.~~

~~(D) Accessory apartments dwelling units within or attached to single-family residences which that provide affordable housing in close proximity to cost-effective care and supervision for relatives, elders, or persons who have a disability should be allowed.~~

~~\* \* \*~~

~~(14) To encourage flood resilient communities.~~

~~(A) New development in identified flood hazard, fluvial erosion, and river corridor protection areas should be avoided. If new development is to be built in such areas, it should not exacerbate flooding and fluvial erosion.~~

~~(B) The protection and restoration of floodplains and upland forested areas that attenuate and moderate flooding and fluvial erosion should be encouraged.~~

~~(C) Flood emergency preparedness and response planning should be encouraged.~~

~~(15) To equitably distribute environmental benefits and burdens a described in 3 V.S.A. chapter 72.~~

~~\* \* \*~~

~~Sec. 37. 24 V.S.A. § 4345a is amended to read.~~

~~§ 1315. DUTIES OF REGIONAL PLANNING COMMISSIONS~~

~~A regional planning commission created under this chapter shall:~~

~~\* \* \*~~

~~(5) Prepare a regional plan and amendments that are consistent with the goals established in section 4302 of this title, and compatible with approved municipal and adjoining regional plans. When preparing a regional plan, the regional planning commission shall:~~

~~(A) develop and carry out a process that will encourage and enable widespread citizen involvement and meaningful participation, as defined in 3 V.S.A. § 6002;~~

~~(B) develop a regional data base that is compatible with, useful to, and shared with the geographic information system established under 3 V.S.A. § 20;~~

~~(C) conduct capacity studies;~~

~~(D) identify areas of regional significance. Such areas may be, but are not limited to, historic sites, earth resources, rare and irreplaceable natural areas, recreation areas, and scenic areas;~~

~~(E) use a land evaluation and site assessment system, that shall at a minimum use the criteria established by the Secretary of Agriculture, Food and Markets under 6 V.S.A. § 8, to identify viable agricultural lands consider the~~

~~potential environmental benefits and environmental burdens, as defined in  
3 V.S.A. §6002, of the proposed plan;~~

~~(F) consider the probable social and economic benefits and  
consequences of the proposed plan; and~~

~~(G) prepare a report explaining how the regional plan is consistent  
with the goals established in section 4302 of this title.~~

~~\* \* \*~~

~~(11) Review proposed State capital expenditures prepared pursuant to  
32 V.S.A. chapter 5 and the Transportation Program prepared pursuant to  
19 V.S.A. chapter 1 for compatibility and consistency with regional plans and  
submit comments to the Secretaries of Transportation and Administration and  
the legislative committees of jurisdiction.~~

~~\* \* \*~~

~~(17) As part of its regional plan, define a substantial regional impact, as  
the term may be used with respect to its region. This definition shall be given  
~~due consideration~~ substantial deference, where relevant, in State-regulatory  
proceedings.~~

~~\* \* \*~~

Sec. 38. 24 V.S.A. § 4347 is amended to read:

~~§ 4347. PURPOSES OF REGIONAL PLAN~~

~~A regional plan shall be made with the general purpose of guiding and accomplishing a coordinated, efficient, equitable and economic development of the region which that will, in accordance with the present and future needs and resources, best promote the health, safety, order, convenience, prosperity, and welfare of the current and future inhabitants as well as efficiency and economy in the process of development. This general purpose includes recommending a distribution of population and of the uses of the land for urbanization, trade, industry, habitation, recreation, agriculture, forestry, and other uses as will tend to:~~

~~(1) create conditions favorable to transportation, health, safety, civic activities, and educational and cultural opportunities;~~

~~(2) reduce the wastes of financial, energy, and human resources which result from either excessive congestion or excessive scattering of population;~~

~~(3) promote an efficient and economic utilization of drainage, energy, sanitary, and other facilities and resources;~~

~~(4) promote the conservation of the supply of food, water, energy, and minerals;~~

~~(5) promote the production of food and fiber resources and the reasonable use of mineral, water, and renewable energy resources; ~~and~~~~

~~(6) promote the development of housing suitable to the needs of the region and its communities, and~~

~~(7) help communities equitably build resilience to address the effects of climate change through mitigation and adaptation consistent with the Vermont Climate Action Plan adopted pursuant to 10 V.S.A. § 592 and 3 V.S.A. chapter 72.~~

Sec. 39. 24 V.S.A. § 4348 is amended to read:

§ 4348. *ADOPTION AND AMENDMENT OF REGIONAL PLAN*

~~(a) A regional planning commission shall adopt a regional plan. Any plan for a region, and any amendment thereof, shall be prepared by the regional planning commission. At the outset of the planning process and throughout the process, regional planning commissions shall solicit the participation of municipalities, local citizens, and organizations by holding informal working sessions that suit the needs of local people. At the outset of the planning process and throughout the process, regional planning commissions shall solicit the participation of each of their member municipalities, local citizens, and organizations by holding informal working sessions that suit the needs of local people. The purpose of these working sessions is to allow for meaningful participation as defined in 3 V.S.A. § 6002, provide consistent information about new statutory requirements related to the regional plan, explain the reasons for new requirements, and gather information to be used in the development of the regional plan and future land use element.~~

~~(b) 60 days prior to holding the first public hearing on a regional plan, a regional planning commission shall submit a draft regional plan to the Environmental Review Board and Agency of Commerce and Community Development for preliminary review and comments related to conformance of the draft with sections 4302 and 4348a of this title and chapter 139 of this title. The Agency shall coordinate with other State agencies and respond within 60 days unless more time is granted by the regional planning commission.~~

~~(c) The regional planning commission shall hold two or more public hearings within the region after public notice on any proposed plan or amendment. The minimum number of required public hearings may be specified within the bylaws of the regional planning commission.~~

~~(c)(d) At least 30 days prior to the first hearing, a copy of the proposed plan or amendment, a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter, and a description of any changes to the Regional Future Land Use Map with a request for general comments and for specific comments with respect to the extent to which the plan or amendment is consistent with the goals established in section 4302 of this title, shall be delivered physically or electronically with proof of receipt or sent by certified mail, return receipt requested, to each of the following:~~

~~(1) the Department of Legislative Services, for each county within the region;~~

~~(2) the executive director of each abutting regional planning commission;~~

~~(3) the Department of Housing and Community Development within the Agency of Commerce and Community Development and the Community Investment Board for a formal review and comment;~~

~~(4) business, conservation, low-income advocacy, and other community or interest groups or organizations that have requested notice in writing prior to the date the hearing is warned; and~~

~~(5) the Agency of Natural Resources ~~and~~; the Agency of Agriculture, Food and Markets; the Agency of Transportation; the Department of Public Service; the Department of Public Safety's Division of Emergency Management; and the Environmental Review Board.~~

~~(e)(d)(1) At least 30 days prior to the first hearing, a copy of the proposed plan or amendment, a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter, and a description of any changes to the Regional Future Land Use Map with a request for general comments and for specific comments with respect to the extent to which the plan or amendment is consistent with the goals established in section 4302 of this title, shall be~~



~~delivered physically or electronically with proof of receipt or sent by certified mail return receipt requested, to each of the following:~~

~~(1)(A) the chair of the legislative body of each municipality within the region;~~

~~(2)(B) the executive director of each abutting regional planning commission;~~

~~(3)(C) the Department of Housing and Community Development within the Agency of Commerce and Community Development and the Community Investment Board for a formal review and comment;~~

~~(4)(D) business, conservation, low-income advocacy, and other community or interest groups or organizations that have requested notice in writing prior to the date the hearing is warned; and~~

~~(5)(E) the Agency of Natural Resources ~~and~~; the Agency of Agriculture, Food and Markets; the Agency of Transportation; the Department of Public Service; the Department of Public Safety's Division of Emergency Management; and the Environmental Review Board.~~

~~(2) At least 30 days prior to the first hearing, the regional planning commission shall provide each of its member municipalities with a written description of map changes within the municipality, a municipality-wide map showing old versus new areas with labels, and information about the new Tier~~

~~structure under 10 V.S.A. chapter 15L, including how to obtain Tier 1A or 1B status, and the process to updating designated area boundaries.~~

~~(d)(e) Any of the foregoing bodies, or their representatives, may submit comments on the proposed regional plan or amendment to the regional planning commission and may appear and be heard in any proceeding with respect to the adoption of the proposed plan or amendment.~~

~~(e)(f) The regional planning commission may make revisions to the proposed plan or amendment at any time not less than 30 days prior to the final public hearing held under this section. If the proposal is changed, a copy of the proposed change shall be delivered physically or electronically with proof of receipt; or by certified mail, return receipt requested, to the chair of the legislative body of each municipality within the region, and to any individual or organization requesting a copy, at least 30 days prior to the final hearing.~~

~~(f)(g) A regional plan or amendment shall be adopted by not less than a 60 percent vote of the commissioners representing municipalities, in accordance with the bylaws of the regional planning commission, and immediately submitted to the legislative bodies of the municipalities that comprise the region. The plan or amendment shall be considered duly adopted and shall take effect 35 days after the date of adoption, unless, within 35 days of the date of adoption, the regional planning commission receives~~

~~certification from the legislative bodies of a majority of the municipalities in the region vetoing the proposed plan or amendment. In case of such a veto, the plan or amendment shall be deemed rejected.~~

~~(h)(1) Within 15 days following adoption a regional planning commission shall submit its regionally adopted regional plan to the Environmental Review Board for a determination of regional plan compliance with: a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter, and a description of any changes to the regional plan future land use map.~~

~~(2) The Environmental Review Board shall hold a public hearing within 60 days after receiving a plan and provide notice of it at least 15 days in advance by direct mail or electronically with proof of receipt to the requesting regional planning commission, posting on the website of the Environmental Review Board, and publication in a newspaper of general circulation in the region affected. The regional planning commission shall notify their municipalities and post on their website the public hearing notice.~~

~~(3) The Environmental Review Board shall issue the determination in writing within 15 days after the close of the hearing on the plan. If the determination is affirmative, a copy of the determination shall be provided to the regional planning commission and the Environmental Review Board. If the determination is negative, the Environmental Review Board shall state the~~

~~reasons for denial in writing and, if appropriate, suggest acceptable modifications. Submissions for a new determination that follow a negative determination shall receive a new determination within 45 days.~~

~~(4) The Environmental Review Board's affirmative determination shall be based upon finding the regional plan meets the following requirements:~~

~~(A) Consistency with the State planning goals as described in section 4302 of this chapter with consistency determined in the manner described under subdivision 4302(f)(1) of this chapter.~~

~~(B) Consistency with the purposes of the regional plan established in section 4347 of chapter.~~

~~(C) Consistency with the regional plan elements as described in section 4348a of this chapter, except that the requirements of section 4352 of this chapter related to enhanced energy planning shall be the under the sole authority of the Department of Public Service.~~

~~(D) Compatibility with adjacent regional planning areas in the manner described under subdivision 4302(f)(2) of this chapter.~~

~~(i) Objections of interested parties.~~

~~(1) An interested party who has participated in the regional plan adoption process may object to the approval of the plan or approval of the future land use maps by the Environmental Review Board within 15 days following plan adoption by the regional planning commission. Participation is~~

~~defined as providing written or oral comments for consideration at a public hearing held by the regional planning commission. Objections shall be submitted using a form provided by the Environmental Review Board.~~

~~(2) As used in this section, an "interested party" means any one of the following:~~

~~(A) Any 20 persons by signed petition who own property or reside within the region. The petition must designate one person to serve as the representative of the petitioners regarding all matters related to the objection. The designated representative must have participated in the regional plan adoption process as described in subdivision (e)(1) of this section.~~

~~(B) A party entitled to notice under subsection (d) of this section.~~

~~(3) Any objection under this section shall be limited to the question of whether the regional plan is consistent with the regional plan elements and future land use areas as described in section 4348a of this title. The requirements of section 4352 of this title related to enhanced energy planning shall be under the sole authority of the Department of Public Service and shall not be reviewed by the Environmental Review Board.~~

~~(4) The Environmental Review Board shall hear any objections of regional plan adoption concurrently with regional plan review under subsection (h) of this section and 10 V.S.A. § 6027. The Environmental Review Board decision of approval of a regional plan shall expressly evaluate any~~

~~objections and state the reasons for their decisions in writing. If applicable, the decision to uphold an objection shall suggest modifications to the regional plan.~~

~~(j) Minor amendments to regional plan future land use map. A regional planning commission may submit a request for a minor amendment to boundaries of a future land use area for consideration by the Environmental Review Board with a letter of support from the municipality. The request may only be submitted after an affirmative vote of the municipal legislative body and the regional planning commission board. The Environmental Review Board, after consultation with the Community Investment Board and the regional planning commissions, shall provide guidance about what constitutes a minor amendment. Minor amendments may include any change to a future land use area consisting of fewer than 10 acres. A minor amendment to a future land use area shall not require an amendment to a regional plan as outlined in section 4348 of this chapter. The Board may adopt rules to implement this section.~~

~~(k) An affirmative determination of regional plan compliance issued pursuant to this section shall remain in effect until the end of the period for expiration or readoption of the plan to which it applies.~~

~~(l) Regional planning commissions shall be provided up to 18 months from a negative determination by the Environmental Review Board to obtain an~~

~~affirmative determination of regional plan compliance. If a regional planning commission is unable to obtain affirmative determination of regional plan compliance, member municipalities shall lose benefits related to designations, Act 250, or State infrastructure investments.~~

~~(m) Upon approval by the Environmental Review Board, the plan shall be considered duly adopted, shall take effect, and is not appealable. The plan shall be immediately submitted to the entities listed in subsection (d) of this section.~~

~~(g)(n) Regional plans may be reviewed from time to time and may be amended in the light of new developments and changed conditions affecting the region. As specifically enabled in this section, minor amendments to the designated areas do not require the amendment of a regional plan. All minor amendments to future land use areas shall be compiled and included in the next iteration of the regional plan.~~

~~(h)(o) In proceedings under 10 V.S.A. chapter 151, 16 V.S.A. chapter 159, and 30 V.S.A. § 248, in which the provisions of a regional plan or a municipal plan are relevant to the determination of any issue in those proceedings:~~

~~(1) the provisions of the regional plan shall be given effect to the extent that they are not in conflict with the provisions of a duly adopted municipal plan, and~~

~~(2) to the extent that such a conflict exists, the regional plan shall be given effect if it is demonstrated that the project under consideration in the proceedings would have a substantial regional impact as determined by the definition in the regional plan.~~

~~(p) Regional planning commissions shall adopt a regional plan in conformance this title by December 31, 2026.~~

*Sec. 40. 24 V.S.A. § 4348a is amended to read:*

*§4348a. ELEMENTS OF A REGIONAL PLAN*

*(a) A regional plan shall be consistent with the goals established in section 4302 of this title and shall include the following:*

*(1) A statement of basic policies of the region to guide the future growth and development of land and of public services and facilities, and to protect the environment.*

*(2) A ~~land-use~~ natural resources and working lands element, which shall consist of a map ~~or maps~~ and ~~statement of present and prospective land uses policies, based on ecosystem function, consistent with Vermont Conservation Design, supports compact centers surrounded by rural and working lands, and~~ that:*

*(A) Indicates those areas of significant natural resources, including existing and proposed for forests, wetlands, vernal pools, rare and irreplaceable natural areas, floodplains, river corridors, recreation,*



~~agriculture, (using the agricultural lands identification process established in 6 U.S.A. § 8), residence, commerce, industry, public, and semi-public semipublic uses, open spaces, areas reserved for flood plain, forest blocks, habitat connectors, recreation areas and recreational trails, and areas identified by the State, regional planning commissions, or municipalities that require special consideration for aquifer protection; for wetland protection; for the maintenance of forest blocks, wildlife habitat, and habitat connectors; or for other conservation purposes.~~

~~(B) Indicates those areas within the region that are likely candidates for designation under sections 2793 (downtown development districts), 2793a (village centers), 2793b (new town centers), and 2793c (growth centers) of this title.~~

~~(C) Indicates locations proposed for developments with a potential for regional impact, as determined by the regional planning commission, including flood control projects, surface water supply projects, industrial parks, office parks, shopping centers and shopping malls, airports, tourist attractions, recreational facilities, private schools, public or private colleges, and residential developments or subdivisions.~~

~~(D) Sets forth the present and prospective location, amount, intensity, and character of such land uses and the appropriate timing or sequence of~~

~~land development activities in relation to the provision of necessary community facilities and services.~~

~~(E) Indicates those areas that have the potential to sustain agriculture and recommendations for maintaining them ~~which~~ that may include transfer of development rights, acquisition of development rights, or farmer assistance programs.~~

~~(F)(C) Indicates those areas that are important as forest blocks and habitat connectors and plans for land development in those areas to minimize forest fragmentation and promote the health, viability, and ecological function of forests. A plan may include specific policies to encourage the active management of those areas for wildlife habitat, water quality, timber production, recreation, or other values or functions identified by the regional planning commission.~~

~~(D) encourages preservation of rare and irreplaceable natural areas, scenic and historic features, and resources.~~

~~(E) encourages protection and improvement of the quality of waters of the State to be used in the development and furtherance of the applicable basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253.~~

~~(3) An energy element, ~~may include~~ including an analysis of resources, needs, scarcities, costs, and problems within the region across all energy~~

~~sectors, including electric, thermal, and transportation; a statement of policy on the conservation and efficient use of energy and the development and siting of renewable energy resources; a statement of policy on patterns and densities of land use likely to result in conservation of energy; and an identification of potential areas for the development and siting of renewable energy resources and areas that are unsuitable for siting those resources or particular categories or sizes of those resources.~~

~~(4) A transportation element, ~~which may consist~~ consisting of a statement of present and prospective transportation and circulation facilities, and a map showing existing and proposed highways, including limited access highways, and streets by type and character of improvement, and where pertinent, anticipated points of congestion, parking facilities, transit routes, terminals, bicycle paths and trails, scenic roads, airports, railroads and port facilities, and other similar facilities or uses, and recommendations to meet future needs for such facilities, with indications of priorities of need, costs, and method of financing.~~

~~(5) A utility and facility element, consisting of a map and statement of present and prospective local and regional community facilities and public utilities, whether publicly or privately owned, showing existing and proposed educational, recreational and other public sites, buildings and facilities, including public schools, State office buildings, hospitals, libraries, power~~

~~generating plants and transmission lines, wireless telecommunications facilities and ancillary improvements, water supply, sewage disposal, refuse disposal, storm drainage, and other similar facilities and activities, and recommendations to meet future needs for those facilities, with indications of priority of need.~~

~~(6) A statement of policies on the:~~

~~(A) preservation of rare and irreplaceable natural areas, scenic and historic features, and resources; and~~

~~(B) protection and improvement of the quality of waters of the State to be used in the development and furtherance of the applicable basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253.~~

~~[Repealed.]~~

~~\* \* \*~~

~~(12) A future land use element, based upon the elements in this section, that sets forth the present and prospective location, amount, intensity, and character of such land uses in relation to the provision of necessary community facilities and services and that consists of a map delineating future land use area boundaries for the land uses in subdivisions (A)–(J) of this subdivision (12) as appropriate and any other special land use category the regional planning commission deems necessary, descriptions of intended future land~~

~~uses; and policies intended to support the implementation of the future land use element using the following land use categories:~~

~~(A) Downtown or village centers. These areas are the vibrant, mixed-use centers bringing together community economic activity and civic assets. They include downtowns, villages, and new town centers, previously designated under chapter 76A and downtowns and village centers seeking benefits under the Community Investment Program under section 5804 of this title. The downtown or village centers are the central business and civic centers within planned growth areas, village areas, or may stand alone. Village centers are not required to have municipal water, wastewater, zoning, or subdivision bylaws.~~

~~(B) Planned growth areas. These areas include the densest existing settlement and future growth areas with the highest concentrations of population, housing, and employment in each region and town, as appropriate. They include a mix of commercial, residential, and civic or cultural sites with active streetscapes, supported by land development regulations, public water, wastewater, or both, and multimodal transportation systems. These areas include new town centers, downtowns, village centers, growth centers, and neighborhood development areas previously designated under chapter 76A of this title. These areas should generally meet the smart growth principles definition in chapter 139 of this title and the following criteria.~~

~~(i) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with section 4350 of this title and has adopted bylaws and regulations in accordance with sections 4414, 4418, and 4442 of this title.~~

~~(ii) This area is served by municipal water or wastewater infrastructure.~~

~~(iii) The area is generally within walking distance from the municipality's or an adjacent municipality's downtown, village center, new town center, or growth center.~~

~~(iv) The area excludes identified flood hazard and fluvial erosion areas, except those areas containing preexisting development in areas suitable for infill development as defined in section 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.~~

~~(v) The municipal plan indicates that this area is intended for higher-density residential and mixed-use development.~~

~~(vi) The area provides for housing that meets the needs of a diversity of social and income groups in the community.~~

~~(vii) The area is served by planned or existing transportation infrastructure that conforms with "complete streets" principles as described under 19 V.S.A. § 309d and establishes pedestrian access directly to the downtown, village center, or new town center. Planned transportation~~

~~infrastructure includes those investments included in the municipality's capital improvement program.~~

~~(C) Village areas. These areas include the traditional settlement area or a proposed new settlement area, typically comprised of a cohesive mix of residential, civic, religious, commercial, and mixed-use buildings, arranged along a main street and intersecting streets that are within walking distance for residents who live within and surrounding the core. Village areas shall have one of the following: municipal water, wastewater, or land development regulations. If no municipal wastewater is available, the area must have soils that are adequate for wastewater disposal. They provide some opportunity for infill development or new development areas where the village can grow and be flood resilient. These areas include existing village center designations and similar areas statewide, but this area is larger than the village center designation. Village areas must meet the following criteria:~~

~~(i) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with section 4350 of this title.~~

~~(ii) The municipality has adopted bylaws and regulations in accordance with sections 4414, 4418, and 4442 of this title.~~

~~(iii) Unless the municipality has adopted flood hazard and river corridor bylaws, applicable to the entire municipality, that are consistent with~~

~~the standards established pursuant to 10 V.S.A. § 755b (flood hazard) and 10 V.S.A. § 1428(b) (river corridor), the area excludes 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.~~

~~(D) Transition or infill area. These areas include areas of existing or planned commercial, office, mixed-use development, or residential uses either adjacent to a planned growth or village area or a new stand-alone Transition or infill area and served by, or planned for, municipal water or wastewater, or both. The intent of this land use category is to transform these areas into higher-density, mixed-use settlements, or residential neighborhoods through infill and redevelopment or new development. New commercial strip auto-oriented development is not allowed as to prevent negatively impacting the economic vitality of commercial areas in the adjacent or nearby planned growth or village area. This area could also include adjacent greenfields safer from flooding and planned for future growth.~~

~~(E) Resource-based recreation areas. These areas include large-scale resource-based, recreational facilities, often concentrated around ski resorts, lakeshores, or concentrated trail networks, that may provide infrastructure, jobs, or housing to support recreational activities.~~



~~(E) Enterprise areas. These areas include locations of high economic activity and employment that are not adjacent to planned growth areas. These include industrial parks, areas of natural resource extraction, or other commercial uses that involve larger land areas. Enterprise areas typically have ready access to water supply, sewage disposal, electricity, and freight transportation networks.~~

~~(G) Hamlet. Small historic clusters of homes and perhaps a school, church, store, or other public buildings not planned for significant growth; no public water supply or wastewater systems; and mostly focused along one or two roads. These may be depicted as points on the future land use map.~~

~~(H) Rural; general. These areas include areas that promote the preservation of Vermont's traditional working landscape and natural area features. They allow for low-density residential and sometimes limited commercial development that is compatible with productive lands and natural areas. This could also include an area that a municipality is planning to make more rural than it is currently.~~

~~(I) Rural; agricultural and forestry. These areas include blocks of forest or farmland that sustain resource industries, provide critical wildlife habitat and movement, outdoor recreation, flood storage, aquifer recharge, and scenic beauty, and contribute to economic well-being and quality of life. Development in these areas should be carefully managed to promote the~~

~~working landscape and rural economy, and address regional goals, while protecting the agricultural and forest resource value.~~

~~(J) Rural; conservation. These are areas of significant natural resources, identified by regional planning commissions or municipalities based upon existing Agency of Natural Resources mapping that require special consideration for aquifer protection; for wetland protection; for the maintenance of forest blocks, wildlife habitat, and habitat connectors; or for other conservation purposes. The mapping of these areas and accompanying policies are intended to help meet requirements of 10 V.S.A. chapter 89. Any portion of this area that is approved by the ERB as having Tier 3 area status shall be identified on the future land use map as an overlay upon approval.~~

~~(b) The various elements and statements shall be correlated with the land use element and with each other. The maps called for by this section may be incorporated on one or more maps, and may be referred to in each separate statement called for by this section.~~

~~(c) The regional plan future land use map shall delineate areas within the regional planning commission's member municipalities that are eligible to receive designation benefits as Centers and Neighborhoods when the future land use map is approved by the Environmental Review Board per 10 V.S.A. § 6033. The areas eligible for designation shall be identified on the regional plan future land use map as regional downtown centers, village centers,~~

~~planned growth area and village areas in a manner consistent with this section and chapter 139. This methodology shall include all approved designated downtowns, villages, new town centers, neighborhood development areas, and growth centers existing on July 1, 2024, unless the subject member municipality requests otherwise.~~

~~(d) With the exception of preexisting, nonconforming designations approved prior to the establishment of the program under chapter 139 or areas included in the municipal plan for the purposes of relocating a municipality's center for flood resiliency purposes, the areas eligible for designation benefits upon the Environmental Review Board's approval of the regional plan future land use map for designation as a Center shall not include development that is disconnected from a Center and that lacks a pedestrian connection to the Center via a complete street.~~

~~(e) The VAPDA shall develop, maintain, and update standard methodology and process for the mapping of areas eligible for Tier 1B status under 10 V.S.A. § 6033 and designation under 24 V.S.A. chapter 139. The methodology shall be issued on or before December 31, 2024, in consultation with the Department of Housing and Community Development and Natural Resources Board.~~

~~(a) The Vermont Association of Planning and Development Agencies (VAPDA) shall hire an independent contractor to study the strategic opportunities for regional planning commissions to better serve municipalities and the State. This study shall seek to ensure that the regional planning commissions are statutorily enabled and strategically positioned to meet ongoing and emerging State and municipal needs and shall review the following: governance, funding, programs, service delivery, equity, accountability, and staffing.~~

~~(b) A stakeholder group composed of the Vermont League of Cities and Towns, Vermont Council on Rural Development, the Department of Housing and Community Development, the Agency of Administration, the Office of Racial Equity, legislators and others will be invited to participate in the study to provide their insights into governance structure, accountability and performance standards.~~

~~(c) The study shall identify the gaps in statutory enabling language, structure, and local engagement and make recommendations on how to improve and ensure consistent and equitable statewide programming and local input and engagement including methods to improve municipal participation; the amount of regional planning grant funding provided to each regional planning commission relative to statutory responsibilities, the number of~~

~~municipalities and other demands; and how to make it easier for municipalities to work together.~~

~~(d) On or before December 31, 2024, the study report shall be submitted to the House Committees on Environment and Energy, on Commerce and Economic Development, and on Government Operations and Military Affairs and the Senate Committees on Economic Development, Housing and General Affairs, on Natural Resources and Energy, and on Government Operations.~~

~~Sec. 42. REGIONAL PLANNING COMMISSION PUBLIC~~

~~ENGAGEMENT~~

~~(a) The regional planning commissions (RPCs) shall conduct a multifaceted public engagement process with stakeholders and the general public on land use, climate change, and regional structures legislation that is enacted in the 2024 Legislative session, including Act 250 reform and the regional planning process, the new State permitting program for river corridors, and climate resilience and mitigation activities and opportunities for Vermont municipalities. This process will engage Vermonters through education about the policy changes and solicitation of ideas and concepts that promote better public awareness, more effective implementation and governance, and efficient use of resources.~~

~~(b) The RPCs, in conjunction with a communications consultant, shall design and implement an information campaign directed to each municipality~~

~~to include Statewide. The RPCs shall include the following methods of outreach, specifically those that are marginalized and generally do not or cannot participate can do so.~~

~~(c) The campaign shall include the following methods of outreach:~~

~~(1) public service announcements;~~

~~(2) A Statewide website with information and direction on how to participate or connect with State and regional entities;~~

~~(3) Materials that can be posted and distributed town by town on the topics; and~~

~~(4) A series of regional public meetings, no less than two per county.~~

~~(d) The RPCs shall procure assistance by September 1, 2024 and shall have begun the initial phase of this process by November 1, 2024 and shall conclude this effort by December 1, 2025.~~

~~(e) In fiscal year 2025, the sum of \$200,000.00 General Fund is appropriated to the Agency of Commerce and Community Development to administer this section including to hire the consultant, create the website and informational materials, and for meeting stipends.~~

~~Sec. 42. POSITION; DEPARTMENT OF FISH AND WILDLIFE~~

~~In fiscal year 2025, \$125,000.00 is appropriated from the General Fund to the Department of Fish and Wildlife, Wildlife Division for one new permanent~~

~~classified Biologist position to assist the Department in supporting the implementation of this act.~~

~~\*\*\* Resilience Planning \*\*\*~~

~~Sec. 43. 24 V.S.A. § 4306 is amended to read:~~

~~§ 4306. MUNICIPAL AND REGIONAL PLANNING AND RESILIENCE  
FUND~~

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

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

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

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

~~(B) 70 percent shall be disbursed to the Secretary of Commerce and Community Development for performance contracts with regional planning~~

~~commissions to provide regional planning services pursuant to section 4341a  
of this title; and~~

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

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

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

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

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

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



~~(3) Of the annual disbursement to municipalities, an amount not to exceed 20 percent of the total may be disbursed to the Department to administer a program providing direct technical consulting assistance under retainer on a rolling basis to any eligible municipality to meet the requirements for designated neighborhood development area under chapter 76A of this title, provided that the municipality is eligible for funding under subdivision (2) of this subsection and meets funding guidelines established by the Department to ensure accessibility for lower capacity communities, municipal readiness, and statewide coverage.~~

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

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

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

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

~~(3) acquiring development rights, conservation easements, or title to those lands, areas, and strictures identified in either regional or municipal plans as requiring special consideration for provision of needed housing,~~

~~aquifer protection, flood protection, climate resilience, open space, farmland preservation, or other conservation purposes; and~~

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

~~(d) Until July 1, 2027, the annual disbursement to municipalities shall:~~

~~(1) prioritize funding grants to municipalities that do not have zoning or subdivision bylaws to create zoning or subdivision bylaws;~~

~~(2) allow a regional planning commission to submit an application for disbursement on behalf of a municipality; and~~

~~(3) not require a municipality without zoning or subdivision bylaws to contribute matching funds in order to receive a grant.~~

~~Sec. 44. MUNICIPAL PLANNING AND RESILIENCE GRANT  
PROGRAM~~

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

~~(b) In addition to other funds appropriated to the Agency of Commerce and Community Development for grants under 24 V.S.A. § 4306, \$1,500,000.00 is~~

~~appropriated from the General Fund to the Municipal and Regional Planning and Resilience Fund for the grants from the Fund for the following purposes:~~

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

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

~~Sec. 45. CLIMATE RESILIENCY PLANNING POSITIONS~~

~~(a) In addition to other funds appropriated to the Agency of Commerce and Community Development in fiscal year 2025, \$125,000.00 is appropriated from the General Fund to the Agency for the purpose of creating a new permanent full-time position to staff the climate resiliency grants from the Municipal Planning and Resilience Grant Program.~~

~~(b) In addition to other funds appropriated to the Agency of Natural Resources in fiscal year 2025, \$125,000.00 is appropriated from the General Fund to the Agency for the purposes of funding a new permanent full-time position in the Water Investment Division of the Department of Environmental Conservation for the purposes of assisting in the financing of climate resilience~~

~~projects from the Special Environmental Revolving Funds under 24 V.S.A.  
chapter 120.~~

~~\*\*\* Designated Areas Update \*\*\*~~

~~Sec. 46. REPEAL~~

~~24 V.S.A. chapter 76A is repealed.~~

~~Sec. 47. 24 V.S.A. chapter 139 is added to read:~~

~~CHAPTER 139. STATE COMMUNITY INVESTMENT PROGRAM~~

~~§ 5801. DEFINITIONS~~

~~As used in this chapter:~~

~~(1) “Community Investment Program” means the program established in this chapter, as adapted from the former State designated areas program formerly in chapter 76A of this title. Statutory references outside this chapter referring to the former State-designated village centers, downtown, and new town centers shall mean designated center, once established. Statutory references outside this chapter referring to the former State-designated growth centers and neighborhood development areas shall mean designated neighborhood, once established.~~

~~(2) “Complete streets” or “complete street principles” has the same meaning as in 19 V.S.A. chapter 24.~~

~~(3) “Department” means the Department of Housing and Community Development.~~

~~(4) “Downtown center” or “village center” means areas on the regional plan future land use maps that may be designated as a center consistent with section 4348a of this title.~~

~~(5) “ERB” refers to the Environmental Review Board established pursuant to 10 V.S.A. § 6021.~~

~~(6) “Infill” means the use of vacant land or property or the redevelopment of existing buildings within a built-up area for further construction or land development.~~

~~(7) “Local downtown organization” means either a nonprofit corporation, or a board, council, or commission created by the legislative body of the municipality, whose primary purpose is to administer and implement the community reinvestment agreement and other matters regarding the revitalization of the downtown.~~

~~(8) “Planned growth area” means an area on the regional plan future land use maps required under section 4348a of this title, which may encompass a downtown center or village center on the regional future land use map and may be designated as a center or neighborhood or both.~~

~~(9) “Regional plan future land use map” means the map prepared pursuant to 24 V.S.A. § 4348a.~~

~~(10) “Smart growth principles” means growth that.~~

~~(A) maintains the historic development pattern of compact village and urban centers separated by rural countryside;~~

~~(B) develops compact mixed-use centers at a scale appropriate for the community and the region;~~

~~(C) enables choice in modes of transportation;~~

~~(D) protects the State's important environmental, natural, and historic features, including natural areas, water quality, scenic resources, and historic sites and districts;~~

~~(E) serves to strengthen agricultural and forest industries and minimizes conflicts of development with these industries;~~

~~(F) balances growth with the availability of economic and efficient public utilities and services;~~

~~(G) supports a diversity of viable businesses in downtowns and villages;~~

~~(H) provides for housing that meets the needs of a diversity of social and income groups in each community; and~~

~~(I) reflects a settlement pattern that, at full build out, is not characterized by:~~

~~(i) scattered development located outside compact urban and village centers that is excessively land consumptive and inefficient,~~

~~(ii) development that limits transportation options, especially for pedestrians, bicyclists, transit users, and people with disabilities;~~

~~(iii) the fragmentation of farmland and forestland;~~

~~(iv) development that makes inefficient use of land, energy, roads, utilities, and other supporting infrastructure or that requires the extension of infrastructure across undeveloped lands outside compact, villages, downtowns, or urban centers; and~~

~~(v) development that contributes to a pattern of strip linear development along well-traveled roads and highways that lacks depth, as measured from the highway.~~

~~(11) “Sprawl repair” means the redevelopment of lands developed with buildings, traffic and circulation, parking, or other land coverage in pattern that is consistent with smart growth principles and is served by a complete street connecting to a proximate Center and served by water and sewer infrastructure.~~

~~(12) “State Board” means the Vermont Community Investment Board established in section 5802 of this title.~~

~~(13) “State Designated Downtown and Village Center” or “Center” means a contiguous downtown or village area approved as part of the ERB review of regional plan future land use maps, which may include an approved preexisting designated village center, designated downtown, or designated new~~

~~town center established prior to the approval of the regional plan future land use maps. It shall encompass an area that extends access to benefits that sustain and revitalize existing buildings and maintain the basis of the program's original focus on revitalizing historic downtowns and villages by promoting development patterns and historic preservation practices vital to Vermont's economy, cultural landscape, equity of opportunity, and climate resilience.~~

~~(14) "State-designated neighborhood" or "neighborhood" means a contiguous geographic area approved as part of the Environmental Review Board review of regional plan future land use maps that is adjacent and contiguous to a center, which may include an approved and preexisting designated neighborhood development area or growth center established prior to approval of the regional plan future land use maps. It means an area that is compact, principally walkable to a center, principally served by complete streets, primarily including historic areas, and may include areas transitioning to complete streets and smart growth through municipal capital planning, programming, and budgeting in complete streets in accordance with section 4430 of this title.~~

~~(15) "Vermont Downtown Program" means a program within the Department that coordinates with Main Street America that helps support community revitalization and economic vitality while preserving the historic~~



~~character of Vermont's downtown cores. The Vermont Downtown Program provides downtowns with financial incentives, training, and technical assistance supporting local efforts to restore historic buildings, improve housing, design walkable communities, and encourage economic development by incentivizing public and private investments.~~

~~(16) "Village area" means an area on the regional plan future land use maps pursuant to section 4348a of this title, which may encompass a village center on the regional future land use map.~~

~~§ 5802. VERMONT COMMUNITY INVESTMENT BOARD~~

~~(a) A Vermont Community Investment Board, also referred to as the "State Board," is created to administer the provisions of this chapter. The State Board shall be composed of the following members or their designees:~~

~~(1) the Secretary of Commerce and Community Development;~~

~~(2) the Secretary of Transportation;~~

~~(3) the Secretary of Natural Resources;~~

~~(4) the Commissioner of Public Safety;~~

~~(5) the State Historic Preservation Officer;~~

~~(6) a member of the community designated by the Director of Racial Equity.~~

~~(7) a person, appointed by the Governor from a list of three names submitted by the Vermont Natural Resources Council and the Preservation Trust of Vermont;~~

~~(8) a person, appointed by the Governor from a list of three names submitted by the Association of Chamber Executives;~~

~~(9) three public members representative of local government, one of whom shall be designated by the Vermont League of Cities and Towns and two of whom shall be appointed by the Governor;~~

~~(10) the Executive Director of the Vermont Bond Bank;~~

~~(11) the State Treasurer;~~

~~(12) a member of the Vermont Planners Association designated by the Association;~~

~~(13) a representative of a regional development corporation designated by the regional development corporations; and~~

~~(14) a representative of a regional planning commission designated by the Vermont Association of Planning and Development Agencies.~~

~~(b) The State Board shall elect a chair and vice chair from among its membership.~~

~~(c) The Department shall provide legal, staff, and administrative support to the State Board; shall produce guidelines to direct municipalities seeking to obtain designation under this chapter and for other purposes established by~~

~~this chapter; and shall pay per diem compensation for board members pursuant to 32 V.S.A. § 1010(b).~~

~~(d) The State Board shall meet at least quarterly.~~

~~(e) The State Board shall have authority to adopt rules of procedure to use for appeal of its decisions and rules on handling conflicts of interest.~~

~~(f) In addition to any other duties confirmed by law, the State Board shall have the following duties:~~

~~(1) to serve as the funding and benefits coordination body for the State Community Investment Program,~~

~~(2) to review and comment on proposed regional plan future land use maps prepared by the regional planning commission and presented to the ERB for designated center and designated neighborhood recognition under 10 V.S.A. § 6033;~~

~~(4) to award tax credits under the 32 V.S.A. § 5230aa et seq.;~~

~~(5) to manage the Downtown Transportation and Related Capital Improvement Fund Program established by section 5808 of this title; and~~

~~(6) to review and comment on ERB guidelines, rules, or procedures for the status process and regional plan future land use maps as they relate to the designations under this chapter.~~

~~§ 5805. DESIGNATION OF DOWNTOWN AND VILLAGE CENTERS~~

~~(a) Designation established. A regional planning commission may apply to the ERB for approval and designation of all centers by submitting the regional plan future land use map adopted by the regional planning commission. The regional plan future land use map shall identify downtown centers and village centers as the downtown and village areas eligible for designation as centers. The Department and State Board shall provide comments to the Environmental Review on areas eligible for center designation as provided under this chapter.~~

~~(b) Inclusions. The areas mapped by the regional planning commissions as a center shall allow for the designation of preexisting, approved village centers, downtown centers, and new town centers in existence on or before December 31, 2025.~~

~~(c) With the exception for preexisting, nonconforming designations approved prior to the establishment of the program under this chapter or areas included in the municipal plan for the purposes of relocating a municipality's center for flood resiliency purposes, the areas eligible for designation benefits upon the Environmental Review Board's approval of the regional plan future land use map for designation as a Center shall not include development that is disconnected from a Center and that lacks a pedestrian connection to the Center via a complete street.~~

~~(d) Approval. The ERB shall conduct its review pursuant to 10 V.S.A.~~

~~(e) Transition. All designated village centers, new town centers, or downtowns existing as of December 31, 2025 will retain current benefits until June 30, 2026 or until approval of the regional future land use maps by the ERB, whichever comes first. All existing designations in effect December 31, 2025 will expire June 30, 2026 if the regional planning commission does not receive State Board approval of the regional plan future land use maps under this chapter. All benefits for preexisting designated village centers, downtowns, and new town centers that are removed under this chapter shall remain with the prior designations existing as of December 31, 2025 until July 1, 2032. Prior to June 30, 2026, no renewal shall be required for the preexisting designations. New applications may be approved by the State Board prior to the approval of a regional future land use map under former chapter 76A of this title by the State Board until December 31, 2025. The last day to submit an application for designation prior to December 31, 2025 will be October 1, 2025.~~

~~(f) Benefits Steps. A center may receive the benefits associated with the steps in this section by meeting the established requirements. The Department shall review applications from municipalities to advance from Step One to Two and from Step Two to Three and issue written decisions. The Department shall issue a written administrative decision within 30 days following the regional plan future land use map approval. If a municipal application is rejected by~~

~~the Department, the municipality may appeal the administrative decision to the State Board. To maintain an established Step Three Center after the initial approval of regional plan future land use map by the ERB, the municipality shall apply for renewal and meet the program requirements upon application for approval of a regional plan future land use map. Step Three designations that are not approved for renewal revert to Step Two. The municipality may appeal the administrative decision of the Department to the State Board. Appeals of administrative decisions shall be heard by the State Board at the next meeting following a timely filing stating the reasons for the appeal. The State Board's decision is final. The Department may issue guidelines to administer these steps.~~

~~(1) Step One.~~

~~(A) Requirements. Step One is established to create an accessible and low-barrier entry point for all villages throughout the State to access site-based improvement supports and conduct initial planning. All downtown and village centers shall automatically reach Step One upon approval of the regional plan future land use map by the Environmental Review Board. Regional plan future land use maps supersede preexisting designated areas that may already meet the Step One requirement.~~

~~(B) Benefits. A center that reaches Step One is eligible for the following benefits.~~

~~(i) funding and technical assistance for site-based projects, including the Better Places Grant Program, access to the Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq., and other programs identified in the Department's guidelines; and~~

~~(ii) funding for developing or amending the municipal plan, visioning, and assessments.~~

~~(2) Step Two.~~

~~(A) Requirements. Step Two is established to create a mid-level entry point for emerging villages throughout the State to build planning and implementation capacity for community-scale projects. A center reaches Step Two if it:~~

~~(i) meets the requirements of Step One or if it has a designated village center or new town center under chapter 76A of this title upon initial approval of the regional plan future land use map and prior to December 31, 2026;~~

~~(ii) has a confirmed municipal planning process; and~~

~~(iii) has a municipal plan with goals for investment in the center.~~

~~(B) Benefits. In addition to the benefits of Step One, a center that reaches Step Two is eligible for the following benefits:~~

~~(i) general grant priority for bylaws and special-purpose plans, capital plans, and area improvement or reinvestment plans, including priority~~

~~consideration for the Better Connections Program and other applicable programs identified by Department guidance;~~

~~(ii) funding priority for infrastructure project scoping, design, engineering, and construction by the State Program;~~

~~(iii) the authority to create a special taxing district pursuant to chapter 87 of this title for the purpose of financing both capital and operating costs of a project within the boundaries of a center;~~

~~(iv) priority consideration for State and federal affordable housing funding;~~

~~(v) authority for the municipal legislative body to lower speed limits to less than 25 mph within the center under 23 V.S.A. § 1007(g);~~

~~(vi) State wastewater permit fees capped at \$50.00 for residential development under 3 V.S.A. § 2822;~~

~~(vii) exemption from the land gains tax under 32 V.S.A. § 10002(p); and~~

~~(viii) assistance and guidance from the Department for establishing local historic preservation regulations.~~

~~(3) Step Three.~~

~~(A) Requirements. Step Three is established to create the higher-level entry point for downtowns throughout the State to create vibrant mixed-~~



~~use centers. A center reaches Step Three and maintains Step Three as a  
downtown if the Department finds that it meets the following requirements:~~

~~(i) Meets the requirements of Step Two, or if it has an existing  
downtown designated under chapter 76A of this title in effect upon initial  
approval of the regional future land use map and prior to December 31, 2026.~~

~~(ii) Is listed or eligible for listing in the National Register of  
Historic Places.~~

~~(iii) Has a downtown improvement plan.~~

~~(iv) Has a downtown investment agreement.~~

~~(v) Has a capital plan adopted under section 4430 of this title that  
implements the downtown improvement plan.~~

~~(vi) Has a local downtown organization with an organizational  
structure necessary to sustain a comprehensive long-term downtown  
revitalization effort, including a local downtown organization that will  
collaborate with municipal departments, local businesses, and local nonprofit  
organizations. The local downtown organization shall work to~~

~~(I) enhance the physical appearance and livability of the  
downtown district by implementing local policies that promote the use and  
rehabilitation of historic and existing buildings, by developing pedestrian-  
oriented design requirements, by encouraging new development and infill that~~

~~satisfy such design requirements, and by supporting long-term planning that is consistent with the goals set forth in section 4302 of this title;~~

~~(II) build consensus and cooperation among the many groups and individuals who have a role in the planning, development, and revitalization process;~~

~~(III) market the assets of the downtown district to customers, potential investors, new businesses, local citizens, and visitors;~~

~~(IV) strengthen, diversify, and increase the economic activity within the downtown; and~~

~~(V) measure annually progress and achievements of the revitalization efforts as required by Department guidelines.~~

~~(vii) Has available public water and wastewater service and capacity.~~

~~(viii) Has permanent zoning and subdivision bylaws.~~

~~(ix) Has adopted historic preservation regulations for the district with a demonstrated commitment to protect and enhance the historic character of the downtown through the adoption of bylaws that adequately meet the historic preservation requirements in subdivisions 4414(1)(E) and (F) of this title, unless recognized by the program as a preexisting designated new town center.~~

~~(v) Has adopted design or form based regulations that adequately regulate the physical form and scale of development.~~

~~(B) Benefits. In addition to the benefits of Steps One and Two, a municipality that reaches Step Three is eligible for the following benefits:~~

~~(i) Funding for the local downtown organization and technical assistance from the Vermont Downtown Program for the center.~~

~~(ii) Tax increment financing district location pursuant to 32 V.S.A. § 5404a.~~

~~(iii) (ii) A reallocation of receipts related to the tax imposed on sales of construction materials as provided in 32 V.S.A. § 9819.~~

~~(iv) (iii) Eligibility to receive National Main Street Accreditation from Main Street America through the Vermont Downtown Program.~~

~~(v) (iv) Signage options pursuant to 10 V.S.A. § 494(13) and (17).~~

~~(vi) (v) Certain housing appeal limitations pursuant to chapter 117 of this title.~~

~~(vii) (vi) Highest priority for locating proposed State functions by the Commissioner of Buildings and General Services or other State officials, in consultation with the municipality, Department, State Board, the General Assembly committees of jurisdiction for the Capital Budget, and the regional planning commission. When a downtown location is not suitable, the Commissioner shall issue written findings to the consulted parties~~

~~demonstrating how the suitability of the State function to a downtown location is not feasible.~~

~~(viii) (vii) Funding for infrastructure project scoping, design, and engineering, including participation in the Downtown Transportation and Related Capital Improvement Fund Program established by section 5808 of this title.~~

§ 5804. DESIGNATED NEIGHBORHOOD

(a) Designation established.

(1) A regional planning commission may request approval from the Environmental Review Board for designation of areas on the regional plan future land use maps as a designated neighborhood under 10 V.S.A. § 6033. Areas eligible for designation include planned growth areas and village areas identified on the regional plan future land use map. This designation recognizes that the vitality of downtowns and villages and their adjacent neighborhoods and the benefits structure must ensure that any subsidy for sprawl repair or infill development locations within a neighborhood is secondary to a primary commitment to maintain the livability and maximize the climate resilience and flood-safe infill potential of these areas.

(2) Approval of planned growth areas and village areas as designated neighborhoods shall follow the same process as approval for designated

centers provided for in 10 V.S.A. § 6033 and consistent with sections 4348 and 4348a of this title.

(b) Transition. Any municipality with an existing designated growth center or neighborhood development area will retain current benefits until July 1, 2029 or upon approval of the regional plan future land use maps, whichever comes first. All existing neighborhood development area and growth center designations in effect on July 1, 2024 will expire on July 1, 2029 if the regional plan future land use map does not gain approval. All benefits that are removed for neighborhood development areas and growth centers under this chapter shall remain active with prior designations existing as of July 1, 2024 until July 1, 2032. During the period of transition, no renewal shall be required for the existing designations. Prior to the approval of a regional plan future land use map by the ERB, new neighborhood development area designations may be approved by the State Board.

(c) Requirements. A designated neighborhood shall meet the requirements for planned growth area or village area as described in section 4348a of this title.

(d) Benefits. A designated neighborhood is eligible for the following benefits.

~~(1) general grant priority for bylaws and special purpose plans, capital plans, and area improvement or reinvestment plans, including the Better Connections Program and other programs identified in Department guidance;~~

~~(2) funding priority for infrastructure project scoping, design, engineering, and construction by State programs;~~

~~(3) access to the Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq.;~~

~~(4) priority consideration for State and federal affordable housing funding;~~

~~(5) certain housing appeal limitations under chapter 117 of this title;~~

~~(6) authority for the municipal legislative body to lower speed limits to less than 25 mph within the neighborhood;~~

~~(7) State wastewater application fee capped at \$50.00 for residential development under 3 V.S.A. § 2822(j)(4)(D); and~~

~~(8) exclusion from the land gains tax provided by 32 V.S.A. § 10002(p).~~

~~§ 5805. TRANSITION~~

~~On or before June 30, 2026, the regional planning commissions shall update the regional plan future land use maps to delineate downtown or village centers, planned growth areas, which may encompass a downtown center and village center; and village areas. Notwithstanding other provisions in this chapter, new applications for designation under the prior Chapter 70A~~

~~framework shall and upon approval of a regional plan future land use map by  
the FRB.~~

~~§ 5806. DESIGNATION DATA CENTER~~

~~The Department shall maintain an online municipal planning data center  
publishing approved regional plan future land use maps and indicating the  
status of each approved designation within the region, and associated steps for  
centers.~~

~~§ 5807. MUNICIPAL TECHNICAL ASSISTANCE~~

~~(a) The Commissioner of Housing and Community Development shall  
develop a procedure for providing interagency technical assistance to  
municipalities participating in the programs under this chapter.~~

~~(b) The procedure shall include interagency assistance and address the  
following:~~

~~(1) general project advising and scoping services;~~

~~(2) physical improvement design services;~~

~~(3) regulatory and policy-making project services;~~

~~(4) programmatic and project management services; and~~

~~(5) legislative recommendations to the General Assembly to better align~~

~~designation benefits with strategic priorities on or before December 15, 2026.~~

~~(c) Procedures and recommendations shall address statutory State agency plans with a focus on the following strategic priorities for municipal and community development assistance:~~

- ~~(1) housing development growth and equity;~~
- ~~(2) climate resilience;~~
- ~~(3) coordinated infrastructure investment;~~
- ~~(4) local administrative capacity;~~
- ~~(5) equity, diversity, and access;~~
- ~~(6) livability and social service; and~~
- ~~(7) historic preservation.~~

~~§ 5808. DOWNTOWN TRANSPORTATION AND RELATED CAPITAL IMPROVEMENT FUND~~

~~(a) There is created the Downtown Transportation and Related Capital Improvement Fund, which shall be a special fund created under 32 V.S.A. chapter 7, subchapter 5, to be administered by the State Board in accordance with this chapter to aid municipalities with designated centers in financing capital transportation and related improvement projects to support economic development. This shall be the same Fund that was created under the prior section 2796 of this title.~~

~~(b) The Fund shall be composed of the following.~~



~~(1) State or federal funds as may be appropriated by the General Assembly;~~

~~(2) any gifts, grants, or other contributions to the Fund; and~~

~~(3) proceeds from the issuance of general obligation bonds.~~

~~(c) Any municipality with a designated center may apply to the Board for financial assistance from the Fund for capital transportation and related improvement projects within or serving the district. The Board may award to any municipality grants in amounts not to exceed \$250,000.00 annually, loans, or loan guarantees for financing capital transportation projects, including construction or alteration of roads and highways, parking facilities, and rail or bus facilities or equipment, or for the underground relocation of electric utility, cable, and telecommunications lines, but shall not include assistance for operating costs. Grants awarded by the Board shall not exceed 80 percent of the overall cost of the project. The approval of the Board may be conditioned upon the repayment to the Fund of some or all of the amount of a loan or other financial benefits and such repayment may be from local taxes, fees, or other local revenues sources. The Board shall consider geographical distribution in awarding the resources of the Fund.~~

~~(d) The Fund shall be available to the Department of Housing and Community Development for the reasonable and necessary costs of administering the Fund. The amount projected to be spent on administration~~

~~shall be included in the Department's fiscal year budget presentations to the  
General Assembly.~~

~~§ 5809. PROPERTY ASSESSMENT FUND; BROWNFIELDS AND  
REDEVELOPMENT; COMPETITIVE PROGRAM~~

~~(a) There is created the Property Assessment Fund pursuant to 32 V.S.A.  
chapter 7, subchapter 5 to be administered by the Department of Housing and  
Community Development for the purpose of providing financing, on a  
competitive basis, to municipalities that demonstrate a financial need in order  
to determine and evaluate a full assessment of the extent and the cost of  
remediation of property or, in the case of an existing building, an assessment  
that supports a clear plan, including the associated costs of renovation to  
bring the building into compliance with State and local building codes. This  
shall be the same Fund that was created under the prior section 2797 of this  
title.~~

~~(b) The Fund shall be composed of the following:~~

~~(1) State or federal funds that may be appropriated by the General  
Assembly;~~

~~(2) any gifts, grants, or other contributions to the funds; and~~

~~(3) proceeds from the issuance of general obligation bonds.~~

~~(c) A municipality deemed financially eligible may apply to the Fund for the assessment of property and existing buildings proposed for redevelopment, provided the Department finds that the property or building:~~

~~(1) is not likely to be renovated or improved without the preliminary assessment; and~~

~~(2) when renovated or redeveloped, will integrate and be compatible with any applicable and approved regional development, capital, and municipal plans; is expected to create new property tax if developed by a taxable entity; and is expected to reduce pressure for development on open or undeveloped land in the local community or in the regional planning commission.~~

~~(d) The Department shall distribute funds under this section in a manner that provides funding for assessment projects of various sizes in as many geographical areas of the State as possible and may require matching funds from the municipality in which an assessment project is conducted.~~

~~§ 5810. BETTER PLACES PROGRAM; CROWD GRANTING~~

~~(a)(1) There is created the Better Places Program within the Department of Housing and Community Development, and the Better Places Fund, which the Department shall manage pursuant to 32 V.S.A. chapter 7, subchapter 5. This shall be the same Fund created under the prior section 2799 of this title.~~

~~(2) The purpose of the Program is to utilize crowdfunding to spark community revitalization through collaborative grantmaking for projects that create, activate, or revitalize public spaces.~~

~~(3) The Department may administer the Program in coordination with and support from other State agencies and nonprofit and philanthropic partners.~~

~~(b) The Fund is composed of the following:~~

~~(1) State or federal funds appropriated by the General Assembly;~~

~~(2) gifts, grants, or other contributions to the Fund; and~~

~~(3) any interest earned by the Fund.~~

~~(c) As used in this section, "public space" means an area or place that is open and accessible to all persons with no charge for admission and includes village greens, squares, parks, community centers, town halls, libraries, and other publicly accessible buildings and connecting spaces such as sidewalks, streets, alleys, and trails.~~

~~(d)(1) The Department of Housing and Community Development shall establish an application process, eligibility criteria, and criteria for prioritizing assistance for awarding grants through the Program.~~

~~(2) The Department may award a grant to a municipality, a nonprofit organization, or a community group with a fiscal sponsor for a project that is~~

~~located in or serves an area designated under this chapter that will create a new public space or revitalize or activate an existing public space.~~

~~(3) The Department may award a grant to not more than three projects per calendar year within a municipality.~~

~~(4) The minimum amount of a grant award is \$5,000.00, and the maximum amount of a grant award is \$40,000.00.~~

~~(5) The Department shall develop matching grant eligibility requirements to ensure a broad base of community and financial support for the project, subject to the following:~~

~~(A) A project shall include in-kind support and matching funds raised through a crowdfunding approach that includes multiple donors.~~

~~(B) An applicant may not donate to its own crowdfunding campaign.~~

~~(C) A donor may not contribute more than \$10,000.00 or 35 percent of the campaign goal, whichever is less.~~

~~(D) An applicant shall provide matching funds raised through crowdfunding of not less than 33 percent of the grant award. The Department may require a higher percent of matching funds for certain project areas to ensure equitable distribution of resources across Vermont.~~

~~(e) The Department of Housing and Community Development, with the assistance of a fiscal agent, shall distribute funds under this section in a~~

~~manner that provides funding for projects of various sizes in as many geographical areas of the State as possible.~~

~~(f) The Department of Housing and Community Development may use up to 15 percent of any appropriation to the Fund from the General Fund to assist with crowdfunding, administration, training, and technological needs of the Program.~~

~~Sec. 48. 32 V.S.A. § 5930aa is amended to read:~~

~~§ 5930aa. DEFINITIONS~~

~~As used in this subchapter:~~

~~\* \* \*~~

~~(2) “Qualified building” means a building built at least 30 years before the date of application, located within a designated ~~downtown, village center, or neighborhood development area~~ center or neighborhood, which, upon completion of the project supported by the tax credit, will be an income-producing building not used solely as a single-family residence. Churches and other buildings owned by a religious organization may be qualified buildings, but in no event shall tax credits be used for religious worship.~~

~~(3) “Qualified code improvement project” means a project:~~

~~(A) to install or improve platform lifts suitable for transporting personal mobility devices, limited use or limited application elevators, elevators, sprinkler systems, and capital improvements in a qualified building,~~

~~and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the Department of Public Safety;~~

~~(B) to abate lead paint conditions or other substances hazardous to human health or safety in a qualified building; or~~

~~(C) to redevelop a contaminated property in a designated downtown, village center, or neighborhood development area center or neighborhood under a plan approved by the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.~~

~~\*\*\*~~

~~(5) “Qualified façade improvement project” means the rehabilitation of the façade of a qualified building that contributes to the integrity of the designated downtown, designated village center, or neighborhood development area center or neighborhood. Façade improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places must be consistent with the Secretary of the Interior Standards, as determined by the Vermont Division for Historic Preservation.~~

~~(6) “Qualified Flood Mitigation Project” means any combination of structural and nonstructural changes to a qualified building located within the flood hazard area as mapped by the Federal Emergency Management Agency~~

~~that reduces or eliminates flood damage to the building or its contents. This may include relocation of HVAC, electrical, plumbing, and other building systems, and equipment above the flood level; repairs or reinforcement of foundation walls, including flood gates; or elevation of an entire eligible building above the flood level. Further eligible projects may be defined via program guidance. The project shall comply with the municipality's adopted flood hazard bylaw, if applicable, and a certificate of completion shall be submitted by a registered engineer, architect, qualified contractor, or qualified local official to the State Board program staff. Improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places shall be consistent with Secretary of the Interior's Standards for Rehabilitation, as determined by the Vermont Division for Historic Preservation.~~

~~\*\*\*~~

~~(9) "State Board" means the Vermont Downtown Development Community Investment Board established pursuant to 24 V.S.A. chapter 76A 139.~~

~~Sec. 49. 32 V.S.A. § 5930bb is amended to read:~~

~~§ 5930bb. ELIGIBILITY AND ADMINISTRATION~~



~~(a) Qualified applicants may apply to the State Board to obtain the tax credits provided by this subchapter for a qualified project at any time before the completion of the qualified project.~~

~~(b) To qualify for any of the tax credits under this subchapter, expenditures for the qualified project must exceed \$5,000.00.~~

~~(c) Application shall be made in accordance with the guidelines set by the State Board.~~

~~(d) Notwithstanding any other provision of this subchapter, qualified applicants may apply to the State Board at any time prior to June 30, 2013, to obtain a tax credit not otherwise available under subsections 5930ee(a)-(c) of this title of 10 percent of qualified expenditures resulting from damage caused by a federally declared disaster in Vermont in 2011. The credit shall only be claimed against the taxpayer's State individual income tax under section 5822 of this title. To the extent that any allocated tax credit exceeds the taxpayer's tax liability for the first tax year in which the qualified project is completed, the taxpayer shall receive a refund equal to the unused portion of the tax credit. If within two years after the date of the credit allocation no claim for a tax credit or refund has been filed, the tax credit allocation shall be rescinded and recaptured pursuant to subdivision 5930ee(6) of this title. The total amount of tax credits available under this subsection shall not be more than~~

~~\$500,000.00 and shall not be subject to the limitations contained in subdivision 5930ee(2) of this subchapter.~~

~~(e) Beginning on July 1, 2025, under this subchapter no new tax credit may be allocated by the State Board to a qualified building located in a neighborhood development area Designated Neighborhood unless specific funds have been appropriated for that purpose.~~

~~Sec. 50. 32 V.S.A. § 5930cc is amended to read:~~

~~§ 5930cc. DOWNTOWN AND VILLAGE CENTER PROGRAM TAX~~

~~CREDITS~~

~~\* \* \*~~

~~(c) Code improvement tax credit. The qualified applicant of a qualified code improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$12,000.00 for installation or improvement of a platform lift, a maximum credit of \$60,000.00 for the installation or improvement of a limited use or limited application elevator, a maximum tax credit of \$75,000.00 for installation or improvement of an elevator, a maximum tax credit of \$50,000.00 for installation or improvement of a sprinkler system, and a~~

~~maximum tax credit of \$50,000.00, \$100,000.00 for the combined costs of all other qualified code improvements.~~

~~(d) Flood Mitigation Tax Credit. The qualified applicant of a qualified flood mitigation project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$75,000.00 \$100,000.00.~~

~~Sec. 51. 32 V.S.A. § 5930ee is amended to read:~~

~~§ 5930ee. LIMITATIONS~~

~~Beginning in fiscal year 2010 and thereafter, the State Board may award tax credits to all qualified applicants under this subchapter, provided that:~~

~~(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed \$3,000,000.00 \$5,000,000.00;~~

~~Sec. 52~~ Sec. 51. REVISION AUTHORITY

~~In preparing the Vermont Statutes Annotated for publication in 2024, the Office of Legislative Counsel shall replace all references to "24 V.S.A. chapter 76A" with "24 V.S.A. chapter 139."~~

~~Effective Dates~~

~~Sec. 52. EFFECTIVE DATES~~

~~*This act shall take effect on passage, except that:*~~

~~*(1) Secs. 13 (10 V.S.A. chapter 220) and 14 (4 V.S.A. § 34) shall take effect on October 1, 2026;*~~

~~*(2) Secs. 19 (10 V.S.A. § 6001), 20 (10 V.S.A. § 6086(a)(8)), and 26 (10 V.S.A. § 6001) shall take effect on December 31, 2026; and*~~

~~*(3) Sec. 46 (repeat) shall take effect on January 1, 2027.*~~

~~Sec. 52. Sec. 52. EFFECTIVE DATES~~

~~*This act shall take effect on passage, except that:*~~

~~*(1) Secs. 13 (10 V.S.A. chapter 220) and 14 (4 V.S.A. § 34) shall take effect on October 1, 2026;*~~

~~*(2) Secs. 19 (10 V.S.A. § 6001), 20 (10 V.S.A. § 6086(a)(8)), and 26 (10 V.S.A. § 6001) shall take effect on December 31, 2026;*~~

~~*(3) Sec. 24 (10 V.S.A. § 6001(3)(A)(xii) shall take effect on July 1, 2026;*~~

~~*and*~~

~~*(4) Sec. 46 (repeat) shall take effect on January 1, 2027.*~~

~~\*\*\* Act 250 \*\*\*~~

~~*Sec. 1. 10 V.S.A. § 6000 is added to read:*~~

~~§ 6000. PURPOSE; CONSTRUCTION~~

~~*The purposes of this chapter are to protect and conserve the environment of the State and to support the achievement of the goals of the Capability and*~~

Development Plan, of 24 V.S.A. § 4302(c), and of the conservation vision and goals for the State established in section 2802 of this title, while supporting equitable access to infrastructure, including housing.

*Sec. 1a. PURPOSE*

The purpose of this act is to further assist the State in achieving the conservation vision and goals for the State established in 10 V.S.A. § 2802 and 24 V.S.A. § 4302. It provides a regulatory framework that supports the vision for Vermont of human and natural community resilience and biodiversity protection in the face of climate change, as described in 2023 Acts and Resolves No. 59. It would strengthen the administration of the Act 250 program by changing the structure, function, and name of the Natural Resources Board. The program updates established in this act would be used to guide State financial investment in human and natural infrastructure.

*Sec. 2. 10 V.S.A. § 6021 is amended to read:*

*§ 6021. BOARD; VACANCY; REMOVAL*

*(a) ~~A Natural Resources Board established.~~ The Land Use Review Board is created.*

*(1) The Board shall consist of five members appointed by the Governor, after review and approval by the Land Use Review Board Nominating Committee in accordance with subdivision (2) of this subsection and confirmed with the advice and consent of the Senate, so that one appointment expires in*

*each year. The Chair and the other four members shall be full-time positions.*  
*In making these appointments, the Governor and the Senate shall give consideration to candidates who have experience, expertise, or skills relating to the environment or land use one or more of the following areas: environmental science; land use law, policy, planning, and development; and community planning. All candidates shall have a commitment to environmental justice.*

*(A) The Governor shall appoint a chair of the Board, a position that shall be a full-time position. The Governor shall ensure Board membership reflects, to the extent possible, the racial, ethnic, gender, and geographic diversity of the State. The Board shall not contain two members who reside in the same county.*

*(B) Following initial appointments, the members, ~~except for the Chair,~~ shall be appointed for terms of ~~four~~ five years. All terms shall begin on July 1 and expire on June 30. A member may continue serving until a successor is appointed. The initial appointments shall be for staggered terms of one year, two years, three years, four years, and five years.*

*(2) ~~The Governor shall appoint up to five persons, with preference given to former Environmental Board, Land Use Review Board, or District Commission members, with the advice and consent of the Senate, to serve as alternates for Board members.~~*

~~(A) Alternates shall be appointed for terms of four years, with initial appointments being staggered. The Land Use Review Board Nominating Committee shall advertise the position when a vacancy will occur on the Land Use Review Board.~~

~~(B) The Chair of the Board may assign alternates to sit on specific matters before the Board in situations where fewer than five members are available to serve. The Nominating Committee shall review the applicants to determine which are well qualified for appointment to the Board and shall recommend those candidates to the Governor. The names of candidates shall be confidential.~~

~~(C) The Governor shall appoint, with the advice and consent of the Senate, a chair and four members of the Board from the list of well-qualified candidates sent to the Governor by the Committee.~~

~~(b) Any vacancy occurring in the membership of the Board shall be filled by the Governor for the unexpired portion of the term. Terms; vacancy; succession. The term of each appointment subsequent to the initial appointments described in subsection (a) of this section shall be five years. Any appointment to fill a vacancy shall be for the unexpired portion of the term vacated. A member may seek reappointment by informing the Governor. If the Governor decides not to reappoint the member, the Nominating Committee shall advertise the vacancy.~~

*(c) Removal. Notwithstanding the provisions of 3 V.S.A. § 2004, members shall only be removable for cause ~~only~~; ~~except the Chair, who shall serve at the pleasure of the Governor by the remaining members of the Board.~~ The Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to define the basis and process for removal.*

*(d) Disqualified members. The Chair of the Board, upon request of the Chair of a District Commission, may appoint and assign former Commission members to sit on specific Commission cases when some or all of the regular members and alternates of the District Commission are disqualified or otherwise unable to serve. If necessary to achieve a quorum, the Chair of the Board may appoint a member of a District Commission who has not worked on the case to sit on a specific case before the Board.*

*(e) Retirement from office. When a Board member who hears all or a substantial part of a case retires from office before the case is completed, the member may remain a member of the Board, at the member's discretion, for the purpose of concluding and deciding that case and signing the findings and judgments involved. A retiring chair shall also remain a member for the purpose of certifying questions of law if a party appeals to the Supreme Court. For the service, the member shall receive a reasonable compensation to be fixed by the remaining members of the Board and necessary expenses while on official business.*



*Sec. 3. 10 V.S.A. § 6032 is added to read:*

§ 6032. LAND USE REVIEW BOARD NOMINATING COMMITTEE

(a) Creation. The Land Use Review Board Nominating Committee is created for the purpose of assessing the qualifications of applicants for appointment to the Land Use Review Board in accordance with section 6021 of this title.

(b) Members. The Committee shall consist of six members who shall be appointed by ~~July 31~~ June 30, 2024 as follows:

(1) The Governor shall appoint two members from the Executive Branch, with at least one being an employee of the Department of Human Resources.

(2) The Speaker of the House of Representatives shall appoint two members from the House of Representatives.

(3) The Senate Committee on Committees shall appoint two members from the Senate.

(c) Terms. The members of the Committee shall serve for terms of two years. Members shall serve until their successors are appointed. Members shall serve not more than three consecutive terms. A legislative member who is appointed as a member of the Committee shall retain the position for the term appointed to the Committee even if the member is subsequently not reelected to the General Assembly during the member's term on the Committee.

(d) Chair. The members shall elect their own chair.

(e) Quorum. A quorum of the Committee shall consist of four members.

(f) Staff and services. The Committee is authorized to use the staff and services of appropriate State Agencies and Departments as necessary to conduct investigations of applicants.

(g) Confidentiality. Except as provided in subsection (h) of this section, proceedings of the Committee, including the names of candidates considered by the Committee and information about any candidate submitted to the Governor, shall be confidential. The provisions of 1 V.S.A. § 317(e) (expiration of Public Records Act exemptions) shall not apply to the exemptions or confidentiality provisions in this subsection.

(h) Public information. The following shall be public:

(1) operating procedures of the Committee;

(2) standard application forms and any other forms used by the Committee, provided they do not contain personal information about a candidate or confidential proceedings;

(3) all proceedings of the Committee prior to the receipt of the first candidate's completed application; and

(4) at the time the Committee sends the names of the candidates to the Governor, the total number of applicants for the vacancies and the total number of candidates sent to the Governor.

(i) Reimbursement. Legislative members of the Committee shall be entitled to per diem compensation and reimbursement for expenses in accordance with 32 V.S.A. § 1010. Compensation and reimbursement shall be paid from the legislative appropriation.

(j) Duties.

(1) When a vacancy occurs, the Committee shall review applicants to determine which are well qualified for the Board and submit those names to the Governor. The Committee shall submit to the Governor a summary of the qualifications and experience of each candidate whose name is submitted to the Governor together with any further information relevant to the matter.

(2) An applicant for the position of member of the Land Use Review Board shall not be required to be an attorney. If the candidate is admitted to practice law in Vermont or practices a profession requiring licensure, certification, or other professional regulation by the State, the Committee shall submit the candidate's name to the Court Administrator or the applicable State professional regulatory entity, and that entity shall disclose to the Committee any professional disciplinary action taken or pending concerning the candidate.

(3) Candidates shall be sought who have experience, expertise, or skills relating to one or more of the following areas: environmental science; land

use law, policy, planning, and development; and community planning. All candidates shall have a commitment to environmental justice.

(4) The Committee shall ensure a candidate possesses the following attributes:

(A) Integrity. A candidate shall possess a record and reputation for excellent character and integrity.

(B) Impartiality. A candidate shall exhibit an ability to make determinations in a manner free of bias.

(C) Work ethic. A candidate shall demonstrate diligence.

(D) Availability. A candidate shall have adequate time to dedicate to the position.

(5) The Committee shall require candidates to disclose to the Committee their financial interests and potential conflicts of interest.

Sec. 4. 10 V.S.A. § 6025 is amended to read:

§ 6025. RULES

(a) The Board may adopt rules of procedure for itself and the District Commissions. The Board's procedure for approving regional plans and regional plan maps, which may be adopted as rules or issued as guidance, shall ensure that the maps are consistent with legislative intent as expressed in section 2802 of this title and 24 V.S.A. §§ 4302 and 4348a.

\* \* \*

*Sec. 5. 10 V.S.A. § 6027 is amended to read:*

*§ 6027. POWERS*

*(a) The Board and District Commissions ~~each~~ shall have supervisory authority in environmental matters respecting projects within their jurisdiction and shall apply their independent judgment in determining facts and interpreting law. Each shall have the power, with respect to any matter within its jurisdiction, to:*

*(1) administer oaths, take depositions, subpoena and compel the attendance of witnesses, and require the production of evidence;*

*(2) allow parties to enter upon lands of other parties for the purposes of inspecting and investigating conditions related to the matter before the Board or Commission;*

*(3) enter upon lands for the purpose of conducting inspections, investigations, examinations, tests, and site evaluations as it deems necessary to verify information presented in any matter within its jurisdiction; and*

*(4) apply for and receive grants from the federal government and from other sources.*

*(b) The powers granted under this chapter are additional to any other powers ~~which~~ that may be granted by other legislation.*

*(c) The ~~Natural Resources~~ Board may designate or establish ~~such~~ regional offices as it deems necessary to implement the provisions of this chapter and*

*the rules adopted hereunder. The ~~Natural Resources~~ Board may designate or require a regional planning commission to receive applications, provide administrative assistance, perform investigations, and make recommendations.*

*(d) At the request of a District Commission, if the Board Chair determines that the workload in the requesting district is likely to result in unreasonable delays or that the requesting District Commission is disqualified to hear a case, the Chair may authorize the District Commission of another district to sit in the requesting district to consider one or more applications.*

*(e) The ~~Natural Resources~~ Board may by rule allow joint hearings to be conducted with specified State agencies or specified municipalities.*

*(f) The Board may publish online or contract to publish annotations and indices of the decisions of the Environmental Division and the text of those decisions. The published product shall be available at a reasonable rate to the general public and at a reduced rate to libraries and governmental bodies within the State.*

*(g) The ~~Natural Resources~~ Board shall manage the process by which land use permits are issued under section 6086 of this title, may initiate enforcement on related matters under the provisions of chapters 201 and 211 of this title, and may petition the Environmental Division for revocation of land use permits issued under this chapter. Grounds for revocation are:*

*(1) noncompliance with this chapter, rules adopted under this chapter, or an order that is issued that relates to this chapter;*

*(2) noncompliance with any permit or permit condition;*

*(3) failure to disclose all relevant and material facts in the application or during the permitting process;*

*(4) misrepresentation of any relevant and material fact at any time;*

*(5) failure to pay a penalty or other sums owed pursuant to, or other failure to comply with, court order, stipulation agreement, schedule of compliance, or other order issued under Vermont statutes and related to the permit; or*

*(6) failure to provide certification of construction costs, as required under subsection 6083a(a) of this title, or failure to pay supplemental fees as required under that section.*

*(h) ~~The Natural Resources Board~~ may hear appeals of fee refund requests under section 6083a of this title.*

*(i) The Chair, subject to the direction of the Board, shall have general charge of the offices and employees of the Board and the offices and employees of the District Commissions.*

*(j) ~~The Natural Resources Board~~ may participate as a party in all matters before the Environmental Division that relate to land use permits issued under this chapter.*

(k) The Board shall review applications for Tier 1A areas and approve or disapprove based on whether the application demonstrates compliance with the requirements of section 6034 of this title. The Board shall produce guidelines for municipalities seeking to obtain the Tier 1A area status.

\* \* \*

(n) The Board shall review for compliance regional plans and the future land use maps, including proposed Tier 1B areas, developed by the regional planning commissions pursuant to 24 V.S.A. § 4348a.

Sec. 6. 10 V.S.A. § 6022 is amended to read:

§ 6022. PERSONNEL

(a) Regular personnel. The Board may appoint legal counsel, scientists, engineers, experts, investigators, temporary employees, and administrative personnel as it finds necessary in carrying out its duties, unless the Governor shall otherwise provide in providing personnel to assist the District Commissions and in investigating matters within its jurisdiction.

(b) Executive Director. The Board shall appoint an Executive Director. The Director shall be a full-time State employee, shall be exempt from the State classified system, and shall serve at the pleasure of the Board. The Director shall be responsible for:

(1) supervising and administering the operation and implementation of this chapter and the rules adopted by the Board as directed by the Board;



(2) assisting the Board in its duties and administering the requirements of this chapter; and

(3) employing any staff as may be required to carry out the functions of the Board.

Sec. 7. 10 V.S.A. § 6084 is amended to read:

§ 6084. NOTICE OF APPLICATION; HEARINGS; COMMENCEMENT OF  
REVIEW

~~(a) On or before the date of~~ Upon the filing of an application with the District Commission, the applicant District Commission shall send, by electronic means, notice and a copy of the initial application to the owner of the land if the applicant is not the owner; the municipality in which the land is located; the municipal and regional planning commissions for the municipality in which the land is located; the Vermont Agency of Natural Resources; and any adjacent Vermont municipality and municipal and regional planning commission if the land is located on a municipal or regional boundary. The applicant shall furnish to the District Commission the names of those furnished notice by affidavit, and shall post send by electronic means a copy of the notice in to the town clerk's office of the town or towns in which the project lies. The town clerk shall post the notice in the town office. The applicant shall also provide a list of adjoining landowners to the District Commission. Upon request and for good cause, the District Commission may authorize the

*applicant to provide a partial list of adjoining landowners in accordance with Board rules.*

\* \* \*

*(e) Any notice for a major or minor application, as required by this section, shall also be published by the District Commission in a local newspaper generally circulating in the area where the development or subdivision is located and on the Board's website not more than ~~ten~~ 10 days after receipt of a complete application.*

\* \* \*

*(f) The applicant shall post a sign provided by the District Commission on the subject property in a visible location 14 days prior to the hearing on the application and until the permit is issued or denied. The District Commission shall provide the sign that shall include a general description of the project, the date and place of the hearing, the identification number of the application and the internet address, and the contact information for the District Commission. The design of the signs shall be consistent throughout the State and prominently state "This Property has applied for an Act 250 Permit."*

\* \* \*

*Sec. 8. 10 V.S.A. § 6086(h) is added to read:*

*(h) Compliance self-certification. The District Commission may require that a person who receives a permit under this chapter report on a regular*

schedule to the District Commission on whether or not the person has complied with and is in compliance with the conditions required in that permit. The report shall be made on a form provided by the Board ~~and shall be returned~~ and contain a self-certification to the truth of statements.

Sec. 9. 10 V.S.A. § 6083a is amended to read:

§ 6083a. ACT 250 FEES

\* \* \*

(i) Any municipality filing an application for a Tier 1A area status shall pay a fee of \$295.00.

(j) Any regional planning commission filing a regional plan or future land use map to be reviewed by the Board shall pay a fee of \$295.00.

\* \* \* Transition; Revision authority \* \* \*

Sec. 10. LAND USE REVIEW BOARD POSITIONS;

APPROPRIATION

(a) The following new positions are created at the Land Use Review Board for the purposes of carrying out this act:

(1) one Staff Attorney; and

(2) four full-time Land Use Review Board members.

(b) In fiscal year 2025, \$56,250.00 is appropriated from the General Fund to the Land Use Review Board for the attorney position established in subdivision (a)(1) of this section.

*Sec. 11. LAND USE REVIEW BOARD APPOINTMENTS; REVISION*

*AUTHORITY*

~~*(a) The Governor shall appoint the members of Land Use Review Board on or before July 1, 2025, and the terms of any Land Use Review Board member not appointed consistent with the requirements of 10 V.S.A. § 6021(a)(1)(A) or (B) shall expire on that day.*~~

*(a) The Governor shall appoint the members of the Land Use Review Board on or before January 1, 2025, and the terms of any Natural Resources Board member not appointed consistent with the requirements of 10 V.S.A. § 6021(a)(1)(A) or (B) shall expire on that day.*

*(b) As of ~~July~~ January 1, 2025, all appropriations and employee positions of the Natural Resources Board are transferred to the Land Use Review Board.*

*(c) In preparing the Vermont Statutes Annotated for publication in 2025, the Office of Legislative Counsel shall replace all references to the “Natural Resources Board” with the “Land Use Review Board” in Title 3, Title 10, Title 24, Title 29, Title 30, and Title 32.*

*Sec. 11a. ACT 250 APPEALS STUDY*

*(a) On or before January 15, 2026, the Land Use Review Board shall issue a report evaluating whether to transfer appeals of permit decisions and jurisdictional opinions issued pursuant to 10 V.S.A. chapter 151 to the Land Use Review Board or whether they should remain at the Environmental*

Division of the Superior Court. The Board shall convene a stakeholder group that at a minimum shall be composed of a representative of environmental interests, attorneys that practice environmental and development law in Vermont, the Vermont League of Cities and Towns, the Vermont Association of Planning and Development Agencies, the Vermont Chamber of Commerce, the Land Access and Opportunity Board, the Office of Racial Equity, the Vermont Association of Realtors, a representative of non-profit housing development interests, a representative of for-profit housing development interests, a representative of commercial development interests, an engineer with experience in development, the Agency of Commerce and Community Development, and the Agency of Natural Resources in preparing the report. The Board shall provide notice of the stakeholder meetings on its website and each meeting shall provide time for public comment.

(b) The report shall at minimum recommend:

(1) whether to allow consolidation of appeals at the Board, or with the Environmental Division of the Superior Court, and how, if transferred to the Board, appeals of permit decisions issued under 24 V.S.A. chapter 117 and the Agency of Natural Resources can be consolidated with Act 250 appeals;

(2) how to prioritize and expedite the adjudication of appeals related to housing projects, including the use of hearing officers to expedite appeals and the setting of timelines for processing of housing appeals;

(3) procedural rules to govern the Board's administration of Act 250 and the adjudication of appeals of Act 250 decisions. These rules shall include procedures to create a firewall and eliminate any potential for conflicts with the Board managing appeals and issuing permit decisions and jurisdictional opinions; and

(4) other actions the Board should take to promote the efficient and effective adjudication of appeals, including any procedural improvements to the Act 250 permitting process and jurisdictional opinion appeals.

(c) The report shall be submitted to the Senate Committees on Economic Development, Housing and General Affairs and on Natural Resources and Energy and the House Committee on Environment and Energy.

*\* \* \* Forest Blocks \* \* \**

*Sec. 12. 10 V.S.A. § 6001 is amended to read:*

*§ 6001. DEFINITIONS*

*As used in this chapter:*

*\* \* \**

(47) "Habitat connector" means land or water, or both, that links patches of habitat within a landscape, allowing the movement, migration, and dispersal of wildlife and plants and the functioning of ecological processes. A habitat connector may include features including recreational trails and improvements constructed for farming, logging, or forestry purposes.

(48) "Forest block" means a contiguous area of forest in any stage of succession and not currently developed for nonforest use. A forest block may include features including recreational trails, wetlands, or other natural features that do not themselves possess tree cover and improvements constructed for farming, logging, or forestry purposes.

(49) "Habitat" means the physical and biological environment in which a particular species of plant or wildlife lives.

Sec. 13. 10 V.S.A. § 6086(a)(8) is amended to read:

(8) Ecosystem protection; scenic beauty; historic sites.

(A) Scenic beauty, historic sites, and rare and irreplaceable natural areas. Will not have an undue adverse effect on the scenic or natural beauty of the area, aesthetics, historic sites, or rare and irreplaceable natural areas.

(A)(B) Necessary wildlife habitat and endangered species. A permit will not be granted if it is demonstrated by any party opposing the applicant that a development or subdivision will destroy or significantly imperil necessary wildlife habitat or any endangered species; ~~and~~.

(i) the economic, social, cultural, recreational, or other benefit to the public from the development or subdivision will not outweigh the economic, environmental, or recreational loss to the public from the destruction or imperilment of the habitat or species; ~~or~~

*(ii) all feasible and reasonable means of preventing or lessening the destruction, diminution, or imperilment of the habitat or species have not been or will not continue to be applied; or*

*(iii) a reasonably acceptable alternative site is owned or controlled by the applicant which would allow the development or subdivision to fulfill its intended purpose.*

*(C) Forest blocks and habitat connectors. A permit will not be granted for a development or subdivision within or partially within a forest block or habitat connector unless the applicant demonstrates that a project will not result in an undue adverse impact on the forest block or habitat connector. If a project as proposed would result in an undue adverse impact, a permit may only be granted if effects are avoided, minimized, or mitigated as allowed in accordance with rules adopted by the Board.*

*Sec. 14. CRITERION 8(C) RULEMAKING*

*(a) The Land Use Review Board (Board), in collaboration with the Agency of Natural Resources, shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6086(a)(8)(C). It is the intent of the General Assembly that these rules discourage fragmentation of the forest blocks and habitat connectors by encouraging clustering of development. Rules adopted by the Board shall include:*



(1) How forest blocks and habitat connectors are further defined, including their size, location, and function, which may include:

(A) information that will be available to the public to determine where forest blocks and habitat connectors are located; or

(B) advisory mapping resources, how they will be made available, how they will be used, and how they will be updated.

(2) Standards establishing how impacts can be avoided or minimized, including how fragmentation of forest blocks or habitat connectors is avoided or minimized, which may include steps to promote proactive site design of buildings, roadways and driveways, utility location, and location relative to existing features such as roads, tree lines, and fence lines.

(3)(A) As used in this section, “fragmentation” generally means dividing land that has naturally occurring vegetation and ecological processes into smaller areas as a result of land uses that remove vegetation and create physical barriers that limit species’ movement and interrupt ecological processes between previously connected natural vegetation. However, the rules shall further define “fragmentation” for purposes of avoiding, minimizing, and mitigating undue adverse impacts on forest blocks and habitat connectors. “Fragmentation” does not include the division or conversion of a forest block or habitat connector by an unpaved recreational trail or by

improvements constructed for farming, logging, or forestry purposes below the elevation of 2,500 feet.

(B) As used in this subsection (a), “recreational trail” has the same meaning as “trails” in 10 V.S.A. § 442.

(4) Criteria to identify the circumstances when a forest block or habitat connector is eligible for mitigation. As part of this, the criteria shall identify the circumstances when the function, value, unique sensitivity, or location of the forest block or habitat connector would not allow mitigation.

(5) Standards for how impacts to a forest block or habitat connector may be mitigated. Standards may include:

(A) appropriate ratios for compensation;

(B) appropriate forms of compensation such as conservation easements, fee interests in land, and other forms of compensation; and

(C) appropriate uses of on-site and off-site mitigation.

(b) The Board shall convene a working group of stakeholders to provide input to the rule prior to pre-filing with the Interagency Committee on Administrative Rules. The Board shall convene the working group on or before July 1, 2025.

(c) The Board shall file a final proposed rule with the Secretary of State and Legislative Committee on Administrative Rules on or before June 15, 2026.

*Sec. 15. 10 V.S.A. § 127 is amended to read:*

*§ 127. RESOURCE MAPPING*

*(a) ~~On or before January 15, 2013, the~~ The Secretary of Natural Resources shall complete and maintain resource mapping based on the Geographic Information System (GIS) or other technology. The mapping shall identify natural resources throughout the State, including forest blocks and habitat connectors, that may be 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 provide assistance to the Secretary in carrying out the GIS-based resource 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.*

*\* \* \* Wood Products Manufacturers \* \* \**

*Sec. 16. 10 V.S.A. § 6093 is amended to read:*

*§ 6093. MITIGATION OF PRIMARY AGRICULTURAL SOILS*

*(a) Mitigation for loss of primary agricultural soils. Suitable mitigation for the conversion of primary agricultural soils necessary to satisfy subdivision 6086(a)(9)(B)(iv) of this title shall depend on where the project tract is located.*

*\* \* \**

*(5) Wood products manufacturers. Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils by a wood products manufacturing facility shall be allowed to pay a mitigation fee computed according to the provisions of subdivision (1) of this subsection, except that it shall be entitled to a ratio of 1:1 protected acres to acres of affected primary agricultural soil.*

*\* \* \**

*\* \* \* Accessory on-farm businesses \* \* \**

*Sec. 17. 24 V.S.A. § 4412(11) is amended to read:*

*(11) Accessory on-farm businesses. No bylaw shall have the effect of prohibiting an accessory on-farm business at the same location as a farm.*

*(A) Definitions. As used in this subdivision (11):*

(i) ~~“Accessory on-farm business” means activity that is accessory to on a farm, the revenues of which may exceed the revenues of the farming operation, and comprises one or both of the following:~~

~~(I) The storage, preparation, processing, and sale of qualifying products, provided that more than 50 percent of the total annual sales are from the qualifying products that are produced on the a farm at which the business is located; the sale of products that name, describe, or promote the farm or accessory on-farm business, including merchandise or apparel that features the farm or accessory on-farm business; or the sale of bread or baked goods.~~

\* \* \*

(iv) ~~“Qualifying product” means a product that is wholly:~~

~~(I) an agricultural, horticultural, viticultural, or dairy commodity, or maple syrup;~~

~~(II) livestock or cultured fish or a product thereof;~~

~~(III) a product of poultry, bees, an orchard, or fiber crops;~~

~~(IV) a commodity otherwise grown or raised on a farm; or~~

~~(V) a product manufactured on one or more farms from commodities wholly grown or raised on one or more farms.~~

\* \* \*

Sec. 18. 10 V.S.A. § 6081 is amended to read:

§ 6081. PERMITS REQUIRED; EXEMPTIONS

\* \* \*

(t) No permit or permit amendment is required for the construction of improvements for an accessory on-farm business for the storage or sale of qualifying products or the other eligible enumerated products as defined in 24 V.S.A. § 4412(11)(A)(i)(I). No permit or permit amendment is required for the construction of improvements for an accessory on-farm business for the preparation or processing of qualifying products as defined in 24 V.S.A. § 4412(11)(A)(i)(I), provided that more than 50 percent of the total annual sales of the prepared or processed qualifying products come from products produced on the farm where the business is located. This subsection shall not apply to the construction of improvements related to hosting events or farm stays as part of an accessory on-farm business as defined in 24 V.S.A. § 4412(11)(A)(i)(II).

\* \* \*

\* \* \* Road Rule \* \* \*

Sec. 19. 10 V.S.A. § 6001(3)(A)(xii) is added to read:

(xii) The construction of a road or roads and any associated driveways to provide access to or within a tract of land owned or controlled by a person. For the purposes of determining jurisdiction under this subdivision, any new development or subdivision on a parcel of land that will be provided

access by the road and associated driveways is land involved in the construction of the road.

(I) Jurisdiction under this subdivision shall not apply unless the length of any single road is greater than 800 feet, or the length of all roads and any associated driveways in combination is greater than 2,000 feet.

(II) As used in this subdivision (xii), “roads” include any new road or improvement to a class 4 town highway by a person other than a municipality, including roads that will be transferred to or maintained by a municipality after their construction or improvement. Routine maintenance and minor repairs of a Class 4 highway shall not constitute an “improvement.” Routine maintenance shall include replacing a culvert or ditch, applying new stone, grading, or making repairs after adverse weather. Routine maintenance shall not include changing the size of the road, changing the location or layout of the road, or adding pavement.

(III) For the purpose of determining the length of any road and associated driveways, the length of all other roads and driveways within the tract of land constructed after July 1, 2026 shall be included.

~~(IV) This subdivision (xii) shall not apply to:~~

~~(aa) a State or municipal road, a utility corridor of an electric transmission or distribution company, or a road used primarily for farming or forestry purposes; and~~

~~(bb) development within a Tier 1A area established in accordance with section 6034 of this title or a Tier 1B area established in accordance with section 6033 of this title~~

(IV) This subdivision (xii) shall not apply to:

(aa) a State or municipal road, a utility corridor of an electric transmission or distribution company, or a road used primarily for farming or forestry purposes;

(bb) development within a Tier 1A area established in accordance with section 6034 of this title or a Tier 1B area established in accordance with section 6033 of this title; and

(cc) improvements underway when this section takes effect to a Class 4 highway that will be transferred to the municipality.

(V) The conversion of a road used for farming or forestry purposes that also meets the requirements of this subdivision (xii) shall constitute development.

(VI) The intent of this subdivision (xii) is to encourage the design of clustered subdivisions and development that does not fragment Tier 2 areas or Tier 3 areas.

#### **Sec. 20. RULEMAKING; ROAD CONSTRUCTION**

The Natural Resources Board may adopt rules after consulting with stakeholders, providing additional specificity to the necessary elements of



10 V.S.A. § 6001(3)(A)(xii). It is the intent of the General Assembly that any rules encourage the design of clustered subdivisions and development that does not fragment Tier 2 areas or Tier 3 areas.

\* \* \* Location-Based Jurisdiction \* \* \*

Sec. 21. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

\* \* \*

(3)(A) “Development” means each of the following:

(i) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than 10 acres of land within a radius of five miles of any point on any involved land, for commercial or industrial purposes in a municipality that has adopted permanent zoning and subdivision bylaws.

(ii) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than one acre of land within a radius of five miles of any point on any involved land, for commercial or industrial purposes in a municipality that has not adopted permanent zoning and subdivision bylaws.

(iii) The construction of improvements for commercial or industrial purposes on a tract or tracts of land, owned or controlled by a

*person, involving more than one acre of land within a municipality that has adopted permanent zoning and subdivision bylaws, if the municipality in which the proposed project is located has elected by ordinance, adopted under 24 V.S.A. chapter 59, to have this jurisdiction apply.*

*(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction or maintenance of mobile homes or mobile home parks, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years. However:*

*\* \* \**

*(vi) The construction of improvements for commercial, industrial, or residential use at or above the elevation of 2,500 feet.*

*\* \* \**

*(xiii) The construction of improvements for commercial, industrial, or residential purposes in a Tier 3 area as determined by rules adopted by the Board.*

*\* \* \**

*(45) "Tier 2" means an area that is not a Tier 1 area or a Tier 3 area.*

*(46) "Tier 3" means an area consisting of critical natural resources defined by the rules of the Board. The Board's rules shall at a minimum*

determine whether and how to protect river corridors, headwater streams, habitat connectors of statewide significance, riparian areas, class A waters, natural communities, and other critical natural resources.

Sec. 22. TIER 3 RULEMAKING

~~(a) The Natural Resources Board, in consultation with the Secretary of Natural Resources, shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6001(3)(A)(xiii) and 10 V.S.A. § 6001(46). It is the intent of the General Assembly that these rules identify critical natural resources for protection. The Board shall review the definition of Tier 3 area; determine the critical natural resources that shall be included in Tier 3, giving due consideration to river corridors, headwater streams, habitat connectors of statewide significance, riparian areas, class A waters, natural communities; recommend any additional critical natural resources that should be added to the definition; and how to define the boundaries. Rules adopted by the Board shall include:~~

~~(1) any necessary clarifications to how the Tier 3 definition is used in 10 V.S.A. chapter 151;~~

~~(2) any necessary changes to how 10 V.S.A. § 6001(3)(A)(xiii) should be administered, and when jurisdiction should be triggered to protect the junctions and values of resources of critical natural resources,~~

~~(3) the process for how Tier 3 areas will be mapped or identified by the Agency of Natural Resources and the Board; and~~

~~(4) other policies or programs that shall be developed to review development impacts to Tier 3 areas if they are not included in 10 V.S.A. § 6001(40).~~

(a) The Land Use Review Board, in consultation with the Secretary of Natural Resources, shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6001(3)(A)(xiii) and 10 V.S.A. § 6001(46) and (19). It is the intent of the General Assembly that these rules identify critical natural resources for protection. The Board shall review the definition of Tier 3 area; determine the critical natural resources that shall be included in Tier 3, giving due consideration to river corridors, headwater streams, habitat connectors of statewide significance, riparian areas, class A waters, and natural communities; any additional critical natural resources that should be added to the definition; measures to ensure that no municipality or region is disproportionately impacted by Tier 3 designation that would limit reasonable opportunities for Tier 1 or Tier 2 designations; and how to define the boundaries. Rules adopted by the Board shall include:

(1) any necessary clarifications to how the Tier 3 definition is used in 10 V.S.A. chapter 151, including whether and how subdivisions would be covered under the jurisdiction of Tier 3;

(2) any necessary changes to how 10 V.S.A. § 6001(3)(A)(xiii) should be administered and when jurisdiction should be triggered to protect the functions and values of resources of critical natural resources;

(3) the process for how Tier 3 areas will be mapped or identified by the Agency of Natural Resources and the Board;

(4) other policies or programs that shall be developed to review development impacts to Tier 3 areas if they are not included in 10 V.S.A. § 6001(46); and

(5) if a critical natural resource area is not recommended for protection under Tier 3, it shall be identified in the rule, and a rationale shall be provided as to why the critical resource was not selected for Tier 3 protection.

(b) On or before January 1, 2025, the Board shall convene a working group of stakeholders to provide input to the rule prior to pre-filing with the Interagency Committee on Administrative Rules. The working group shall include representation from regional planning commissions; environmental groups; science and ecological research organizations; woodland or forestry organizations; the Vermont Housing and Conservation Board; the Vermont Chamber of Commerce; the League of Cities of Towns; the Land Access and Opportunity Board; the State Natural Resources Conservation Council; and other stakeholders, such as the Vermont Ski Areas Association, the Department of Taxes, Division of Property Valuation and Review, the Department of

Forests, Parks and Recreation, the Department of Environmental Conservation, the Department of Fish and Wildlife, the Vermont Woodlands Association, and the Professional Logging Contractors of the Northeast.

(c) The Board shall file a final proposed rule with the Secretary of State and Legislative Committee on Administrative Rules on or before February 1, 2026. After the Land Use Review Board files the rule with Legislative Committee on Administrative Rules, it shall submit a report describing the rules and the issues reviewed under this section to the House Committee on Environment and Energy and the Senate Committee on Natural Resources and Energy.

(d) During the rule development, the stakeholder group established under subsection (b) of this section shall solicit participation from representatives of municipalities and landowners that host Tier 3 critical resource areas on their properties to determine the responsibilities and education needed to understand, manage, and interact with the resources.

*\* \* \* Tier 1 Areas \* \* \**

Sec. 23. 10 V.S.A. § 6001(3)(A)(xi) is amended to read:

~~(xi) Notwithstanding any other provision of law to the contrary, until July 1, 2026, the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 25 or more units, constructed or maintained on a tract or tracts of land, located entirely within a designated~~

~~downtown development district, a designated neighborhood development area, a designated village center with permanent zoning and subdivision bylaws, or a designated growth center, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years. For purposes of this subsection, the construction of four units or fewer of housing in an existing structure shall only count as one unit towards the total number of units. [Repealed.]~~

~~Sec. 24. 10 V.S.A. § 6001(3)(D)(vii)(III) is amended to read.~~

~~(III) Notwithstanding any other provision of law to the contrary, until July 1, 2026~~2028~~, the construction of a priority housing project located entirely within a designated downtown development district, designated neighborhood development area, or a designated growth center or within one-half mile around such designated center. For purposes of this subdivision (III), in order for a parcel to qualify for the exemption, at least 51 percent of the parcel shall be located within one-half mile of the designated center boundary. If the one-half mile around the designated center extends into an adjacent municipality, the legislative body of the adjacent municipal may inform the Board that it does not want the exemption to extend into that area.~~

*Sec. 24. 10 V.S.A. § 6001(3)(D)(viii)(III) is amended to read:*

*(III) Notwithstanding any other provision of law to the contrary, until ~~July 1, 2026~~ January 1, 2027, the construction of a priority housing project located entirely within areas of a designated downtown development district, designated neighborhood development area, or a designated growth center or within one-half mile around such designated center with permanent zoning and subdivision bylaws served by public sewer or water services or soils that are adequate for wastewater disposal. For purposes of this subdivision (III), in order for a parcel to qualify for the exemption, at least 51 percent of the parcel shall be located within one-half mile of the designated center boundary. If the one-half mile around the designated center extends into an adjacent municipality, the legislative body of the adjacent municipal may inform the Board that it does not want the exemption to extend into that area.*

~~Sec. 24. REPEALS~~

~~*(a) 2023 Acts and Resolves No. 47, Sec. 16a is repealed.*~~

~~*(b) 2023 Acts and Resolves No. 47, Sec. 19c is repealed.*~~

*Sec. 25. REPEAL*

*2023 Acts and Resolves No. 47, Sec. 19c is repealed.*



~~Sec. 25a. 2023 Acts and Resolves No. 17, Sec. 16a is amended to read:~~

~~Sec. 16a. ACT 250 EXEMPTION REQUIREMENTS~~

~~In order to qualify for the exemptions established in 10 V.S.A. § 6001 (3)(A)(xi) and (3)(D)(viii)(III) and 10 V.S.A. § 6081(dd), a person shall request a jurisdictional opinion under 10 V.S.A. § 6007 on or before ~~June 30~~ December 31, 2026. The jurisdictional opinion shall require the project to substantially complete construction on or before ~~June 30, 2029~~ in order to remain exempt.~~

Sec. 26. 10 V.S.A. § 6081(y) is amended to read:

(y) ~~No~~ Until December 31, 2030, no permit or permit amendment is required for a retail electric distribution utility's rebuilding of existing electrical distribution lines and related facilities to improve reliability and service to existing customers, through overhead or underground lines in an existing corridor, road, or State or town road right-of-way. Nothing in this section shall be interpreted to exempt projects under this subsection from other required permits or the conditions on lands subject to existing permits required by this section.

~~Sec. 27. 10 V.S.A. § 6033 is added to read:~~

~~§ 6033. REGIONAL PLAN FUTURE LAND USE MAP REVIEW~~

~~(a) The Board shall review requests from regional planning commissions to approve or disapprove portions of future land use maps for the purpose of~~

~~changing jurisdictional thresholds under this chapter by identifying areas on future land use maps for Tier 1B area status and to approve designations pursuant to 24 V.S.A. chapter 139. The Board may produce guidelines for regional planning commissions seeking Tier 1B area status. If requested by the regional planning commission, the Board shall complete this review concurrently with regional plan approval. A request for Tier 1B area status made by a regional planning commission separate from regional plan approval shall follow the process set forth in 24 V.S.A. § 4348.~~

~~(b) The Board shall review the portions of future land use maps that include downtowns or village centers, planned growth areas, and village areas to ensure they meet the requirements under 24 V.S.A. §§ 5803 and 5804 for designation as downtown and village centers and neighborhood areas.~~

~~(c) To obtain a Tier 1B area status under this section, the regional planning commission shall demonstrate to the Board that the municipalities with Tier 1B areas meet the requirements for village areas included in 24 V.S.A. § 4348a(a)(12)(C). A municipality may have multiple noncontiguous areas receive Tier 1B area status.~~

~~(d) A municipality that is eligible for Tier 1B status may formally request of the Board that they be excluded from Tier 1B area status if the municipality has elected by ordinance adopted under 24 V.S.A. chapter 59. If a municipality seeks to be excluded from Tier 1B, it shall lose any center of~~

~~neighborhood designations and be ineligible for future designation until it seeks Tier 1B status.~~

Sec. 27. 10 V.S.A. § 6033 is added to read:

§ 6033. REGIONAL PLAN FUTURE LAND USE MAP REVIEW

(a) The Board shall review requests from regional planning commissions to approve or disapprove portions of future land use maps for the purposes of changing jurisdictional thresholds under this chapter by identifying areas on future land use maps for Tier 1B area status and to approve designations pursuant to 24 V.S.A. chapter 139. The Board may produce guidelines for regional planning commissions seeking Tier 1B area status. If requested by the regional planning commission, the Board shall complete this review concurrently with regional plan approval. A municipality may have multiple noncontiguous areas receive Tier 1B area status. A request for Tier 1B area status made by a regional planning commission separate from regional plan approval shall follow the process set forth in 24 V.S.A. § 4348.

(b) The Board shall review the portions of future land use maps that include downtowns or village centers, planned growth areas, and village areas to ensure they meet the requirements under 24 V.S.A. §§ 5803 and 5804 for designation as downtown and village centers and neighborhood areas.

(c) To obtain a Tier 1B area status under this section the regional planning commission shall demonstrate to the Board that the municipalities with Tier 1B

areas meet the following requirements as included in subdivision 24 V.S.A.

§ 4348a(a)(12)(C):

(1) The municipality has requested to have the area mapped for Tier 1B.

(2) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with 24 V.S.A. § 4350.

(3) The municipality has adopted permanent zoning and subdivision bylaws in accordance with 24 V.S.A. §§ 4414, 4418, and 4442.

(4) The area excludes 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 unless the municipality has adopted flood hazard and river corridor bylaws applicable to the entire municipality that are consistent with the standards established pursuant to subsection 755(b) of this title (flood hazard) and subsection 1428(b) of this title (river corridor).

(5) The municipality has water supply, wastewater infrastructure, or soils that can accommodate a community system for compact housing development in the area proposed for Tier 1B.

(6) The municipality has municipal staff, municipal officials, or contracted capacity adequate to support development review and zoning administration in the Tier 1B area.

*Sec. 28. 10 V.S.A. § 6034 is added to read:*

§ 6034. TIER 1A AREA STATUS

(a) Application and approval.

(1) Beginning on January 1, 2026, a municipality, by resolution of its legislative body, may apply to the Land Use Review Board for Tier 1A status for the area of the municipality that is suitable for dense development and meets the requirements of subsection (b) of this section. A municipality may apply for multiple noncontiguous areas to be receive Tier 1A area status. Applications may be submitted at different times.

(2) The Board shall issue an affirmative determination on finding that the municipality meets the requirements of subsection (b) of this section within 45 days after the application is received.

(b) Tier 1A area status requirements.

~~(1) To obtain a Tier 1A area status under this section, a municipality shall demonstrate to the Board that:~~

~~(A) The boundaries are consistent with downtown or village centers and planned growth areas as defined 24 V.S.A. § 4348a(a)(12) in an approved regional plan future land use map with any minor amendments.~~

~~(B) The municipality has adopted flood hazard and river corridor bylaws, applicable to the entire municipality, that are consistent with or stronger than the standards established pursuant to subsection 755(b) of the~~

~~title (flood hazard) and subsection 1429(b) of this title (river corridor) or the proposed Tier 1A area excludes the flood hazard areas and river corridor.~~

~~(C) The municipality has adopted permanent zoning and subdivision bylaws that do not include broad exemptions that exclude significant private or public land development from requiring a municipal land use permit.~~

~~(D) The municipality has permanent land development regulations for the Tier 1A area that further the smart growth principles of 24 V.S.A. chapters 76A, adequately regulate the physical form and scale of development, provide reasonable provision for a portion of the areas with sewer and water to allow at least four stories, and conform to the guidelines established by the Board.~~

~~(E) The Tier 1A area is compatible with the character of adjacent National Register Historic Districts, National or State Register Historic Sites, and other significant cultural and natural resources identified by local or State government.~~

~~(F) To the extent that they are not covered under State permits, the municipality has identified and planned for the maintenance of significant natural communities, rare, threatened, and endangered species located in the Tier 1A area or excluded those areas from the Tier 1A area.~~

~~(G) Public water and wastewater systems or planned improvements have the capacity to support additional development within the Tier 1A area.~~

(1) To obtain a Tier 1A area status under this section, a municipality shall demonstrate to the Board that it has each of the following:

(A) A municipal plan that is approved in accordance with 24 V.S.A. § 4350.

(B) The boundaries are consistent with downtown or village centers and planned growth areas as defined 24 V.S.A. § 4348a(a)(12) in an approved regional plan future land use map with any minor amendments.

(C) The municipality has adopted flood hazard and river corridor bylaws, applicable to the entire municipality, that are consistent with or stronger than the standards established pursuant to subsection 755(b) of this title (flood hazard) and subsection 1428(b) of this title (river corridor) or the proposed Tier 1A area excludes the flood hazard areas and river corridor.

(D) The municipality has adopted permanent zoning and subdivision bylaws that do not include broad exemptions that exclude significant private or public land development from requiring a municipal land use permit.

(E) The municipality has permanent land development regulations for the Tier 1A area that further the smart growth principles of 24 V.S.A. chapter 76A, adequately regulate the physical form and scale of development, provide reasonable provision for a portion of the areas with sewer and water to allow at least four stories, and conform to the guidelines established by the Board.

(F) The Tier 1A area is compatible with the character of adjacent National Register Historic Districts, National or State Register Historic Sites, and other significant cultural and natural resources identified by local or State government.

(G) The municipality has identified and planned for the maintenance of significant natural communities, rare, threatened, and endangered species located in the Tier 1A area or excluded those areas from the Tier 1A area.

~~(H) Public water and wastewater systems have the capacity to support additional development within the Tier 1A area.~~

(H) Public water and wastewater systems or planned improvements have the capacity to support additional development within the Tier 1A area.

(I) Municipal staff adequate to support coordinated comprehensive and capital planning, development review, and zoning administration in the Tier 1A area.

(2) If any party entitled to notice under subdivision (c)(3)(A) of this section or any resident of the municipality raises concerns about the municipality's compliance with the requirements, those concerns shall be addressed as part of the municipality's application.

(c) Process for issuing determinations of Tier 1A area status.

(1) A preapplication meeting shall be held with the Board staff, municipal staff, and staff of the relevant regional planning commission (RPC)



to review the requirements of subsection (b) of this section. The meeting shall be held in person or electronically.

(2) An application by the municipality shall include the information and analysis required by the Board's guidelines on how to meet the requirements of subsection (b) of this section.

(3) After receipt of a complete final application, the Land Use Review Board shall convene a public hearing in the municipality to consider whether to issue a determination of Tier 1A area status under this section.

(A) Notice.

(i) At least 35 days in advance of the Board's meeting, the regional planning commission shall post notice of the meeting on its website.

(ii) The municipality shall publish notice of the meeting 30 days and 15 days in advance of the Board's meeting in a newspaper of general circulation in the municipality, and deliver physically or electronically, with proof of receipt or by certified mail, return receipt requested to the Agency of Natural Resources; the Division for Historic Preservation; the Agency of Agriculture, Food and Markets; the Agency of Transportation; the regional planning commission; the regional development corporations; and the entities providing educational, police, and fire services to the municipality.

(iii) The notice shall also be posted by the municipality in or near the municipal clerk's office and in at least two other designated public places

in the municipality, on the websites of the municipality and the regional planning commission, and on any relevant e-mail lists or social media that the municipality uses.

(iv) The municipality shall also certify in writing that the notice required by this subsection (c) has been published, delivered, and posted within the specified time.

(v) Notice of an application for Tier 1A area status shall be delivered physically or electronically with proof of receipt or sent by certified mail, return receipt requested, to each of the following:

(I) the chair of the legislative body of each adjoining municipality;

(II) the executive director of each abutting regional planning commission;

(III) the Department of Housing and Community Development and the Community Investment Board for a formal review and comment; and

(IV) business, conservation, low-income advocacy, and other community or interest groups or organizations that have requested notice in writing prior to the date the hearing is warned.

(B) No defect in the form or substance of any requirements of this subsection (c) shall invalidate the action of the Board where reasonable efforts are made to provide adequate posting and notice. However, the action shall be

invalid when the defective posting or notice was materially misleading in content. If an action is ruled to be invalid by the Superior Court or by the Board itself, the municipality shall issue new posting and notice, and the Board shall hold a new hearing and take a new action.

(4) The Board may recess the proceedings on any application pending submission of additional information. The Board shall close the proceedings promptly after all parties have submitted the requested information.

(5) The Board shall issue its determination in writing. The determination shall include explicit findings on each of the requirements in subsection (b) of this section.

(d) Review of status.

(1) Initial determination of status may be made at any time. Thereafter, review of a status shall occur every eight years with a check-in after four years.

(2) The Board, on its motion, may review compliance with the Tier 1A area requirements at more frequent intervals.

(3) If at any time the Board determines that the Tier 1A area no longer meets the standards for the status, it shall take one of the following actions:

(A) require corrective action within a reasonable time frame; or

(B) terminate the status.

~~Sec. 29. TIER 1A AREA GUIDELINES~~

~~*On or before January 1, 2026, the Land Use Review Board shall publish guidelines to direct municipalities seeking to obtain the Tier 1A area status.*~~

Sec. 29. TIER 1A AREA GUIDELINES

*On or before January 1, 2026, the Land Use Review Board shall publish guidelines to direct municipalities seeking to obtain the Tier 1A area status. The guidelines shall include how a municipality shall demonstrate that improvements are planned for a public water or wastewater system and at what stage in the process the improvements need to be to provide a reasonable expectation of completion.*

Sec. 30. 24 V.S.A. § 4382 is amended to read:

§ 4382. THE PLAN FOR A MUNICIPALITY

*(a) A plan for a municipality shall be consistent with the goals established in section 4302 of this title and compatible with approved plans of other municipalities in the region and with the regional plan and shall include the following:*

\* \* \*

*(2) A land use plan, which shall consist of a map and statement of present and prospective land uses, that:*

\* \* \*

*(C) Identifies those areas, if any, proposed for designation under chapter 76A of this title and for status under 10 V.S.A. §§ 6033 and 6034, together with, for each area proposed for designation, an explanation of how the designation would further the plan's goals and the goals of section 4302 of this title, and how the area meets the requirements for the type of designation to be sought.*

\* \* \*

*Sec. 31. 10 V.S.A. § 6081 is amended to read:*

*§ 6081. PERMITS REQUIRED; EXEMPTIONS*

\* \* \*

*(z)(1) Notwithstanding any other provision of this chapter to the contrary, no permit or permit amendment is required for any subdivision, development, or change to an existing project that is located entirely within a Tier 1A area under section 6034 of this chapter.*

*(2) Notwithstanding any other provision of this chapter to the contrary, no permit or permit amendment is required within a Tier 1B area approved by the Board under section 6033 of this chapter for 50 units or fewer of housing on a tract or tracts of land involving 10 acres or less or for mixed-use development with 50 units or fewer of housing on a tract or tracts of land involving 10 acres or less.*

(3) Upon receiving notice and a copy of the permit issued by an appropriate municipal panel pursuant to 24 V.S.A. § 4460(g), a previously issued permit for a development or subdivision located in a Tier 1A area shall remain attached to the property. However, neither the Board nor the Agency of Natural Resources shall enforce the permit or assert amendment jurisdiction on the tract or tracts of land unless the designation is revoked or the municipality has not taken any reasonable action to enforce the conditions of the permit.

(aa) No permit amendment is required for the construction of improvements for a hotel or motel converted to permanently affordable housing developments as defined in 24 V.S.A. § 4303(2).

(bb) Until July 1, 2028, no permit or permit amendment is required for the construction of improvements for one accessory dwelling unit constructed within or appurtenant to a single-family dwelling. Units constructed pursuant to this subsection shall not count towards the total units constructed in other projects.

(cc) Until July 1, 2028, no permit amendment is required for the construction of improvements for converting a structure used for a commercial purpose to 29 or fewer housing units.

~~(dd) Interim housing exemptions.~~

~~(1) Notwithstanding any other provision of law to the contrary, until July 1, 2028, no permit or permit amendment is required for the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 75 or units fewer, constructed or maintained on a tract or tracts of land, located entirely within a designated new town center, a designated growth center, or a designated neighborhood development area. Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains.~~

~~(2)(A) Notwithstanding any other provision of law to the contrary, until July 1, 2028, no permit or permit amendment is required for the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 50 or fewer units, constructed or maintained on a tract or tracts of land of 10 acres or less, located entirely within:~~

~~(i) a designated village center with permanent zoning and subdivision bylaws or within one-quarter mile of its boundary; or~~

~~(ii) areas of a municipality that are within a census-designated urbanized area with over 50,000 residents and within one-quarter mile of a transit route.~~

~~(D) Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains. For purposes of this subdivision (B), in order for a parcel to qualify for the exemption, at least 51 percent of the parcel shall be located within one-quarter mile of the designated village center boundary or the center line of the transit route. If the one-quarter mile extends into an adjacent municipality, the legislative body of the adjacent municipal may inform the Board that it does not want the exemption to extend into that area.~~

~~(3) Notwithstanding any other provision of law to the contrary, until July 1, 2028, no permit or permit amendment is required for the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, constructed or maintained on a tract or tracts of land, located entirely within a designated downtown development district. Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains.~~

~~(dd) Interim housing exemptions.~~

~~(1) Notwithstanding any other provision of law to the contrary, until January 1, 2027, no permit or permit amendment is required for the construction of housing projects such as cooperatives, condominiums,~~



dwelling, or mobile homes, with 75 units or fewer, constructed or maintained on a tract or tracts of land, located entirely within the areas of a designated new town center, a designated growth center, or a designated neighborhood development area served by public sewer or water services or soils that are adequate for wastewater disposal. Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains 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.

~~(2)(4) Notwithstanding any other provision of law to the contrary, until January 1, 2027, no permit or permit amendment is required for the construction of housing projects such as cooperatives, condominiums, dwelling, or mobile homes, with 50 or fewer units, constructed or maintained on a tract or tracts of land of 10 acres or less, located entirely within areas of a designated village center and within one-quarter mile of its boundary with permanent zoning and subdivision bylaws and served by public sewer or water services or soils that are adequate for wastewater disposal.~~

(B) Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall  
~~not apply to areas within mapped river corridors and floodplains 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. For purposes of this subdivision, in order for a parcel to qualify for the exemption, at least 51 percent of the parcel shall be located within one-quarter mile of the designated village center boundary. If the one-quarter mile extends into an adjacent municipality, the legislative body of the adjacent municipal may inform the Board that it does not want the exemption to extend into that area.~~

(2)(A) Notwithstanding any other provision of law to the contrary, until July 1, 2027, no permit or permit amendment is required for the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 50 or fewer units, constructed or maintained on a tract or tracts of land of 10 acres or less, located entirely within:

(i) areas of a designated village center and within one-quarter mile of its boundary with permanent zoning and subdivision bylaws and served by public sewer or water services or soils that are adequate for wastewater disposal; or

(ii) areas of a municipality that are within a census-designated urbanized area with over 50,000 residents and within one-quarter mile of a transit route.

(B) Housing units constructed pursuant to this subdivision (2) shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains 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. For purposes of this subdivision, in order for a parcel to qualify for the exemption, at least 51 percent of the parcel shall be located within one-quarter mile of the designated village center boundary or the center line of the transit route. If the one-quarter mile extends into an adjacent municipality, the legislative body of the adjacent municipal may inform the Board that it does not want the exemption to extend into that area.

(3) Notwithstanding any other provision of law to the contrary, until January 1, 2027, no permit or permit amendment is required for the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, constructed or maintained on a tract or tracts of land, located entirely within a designated downtown development district with permanent zoning and subdivision bylaws served by public sewer or water services or soils that are adequate for wastewater disposal. Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains 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.

~~Sec. 22. 10 V.S.A. § 6001(50) and (51) are added to read:~~

~~(50) “Accessory dwelling unit” means a distinct unit that is clearly subordinate to a single-family dwelling, located on an owner-occupied lot and has facilities and provisions for independent living, including sleeping, food preparation and sanitation, provided there is compliance with all of the following:~~

~~(A) the unit does not exceed 20 percent of the habitable floor area of the single-family dwelling or 900 square feet, whichever is greater; and~~

~~(B) the unit is located within or appurtenant to a single-family dwelling, whether the dwelling is existing or new construction.~~

~~(51) “Transit route” means a set route or network of routes on which a public transit service as defined in 24 V.S.A. § 5088 operates a regular schedule.~~

~~Sec. 22. 10 V.S.A. § 6001(50) is added to read:~~

~~(50) “Accessory dwelling unit” means a distinct unit that is clearly subordinate to a single-family dwelling, is located on an owner-occupied lot, and has facilities and provisions for independent living, including sleeping, food preparation, and sanitation, provided there is compliance with all of the following:~~

~~(A) the unit does not exceed 20 percent of the habitable floor area of the single-family dwelling or 900 square feet, whichever is greater; and~~  
~~(B) the unit is located within or appurtenant to an existing single-family dwelling.~~

Sec. 32. 10 V.S.A. § 6001(50) and (51) are added to read:

(50) “Accessory dwelling unit” means a distinct unit that is clearly subordinate to a single-family dwelling, located on an owner-occupied lot and has facilities and provisions for independent living, including sleeping, food preparation and sanitation, provided there is compliance with all of the following:

(A) the unit does not exceed 30 percent of the habitable floor area of the single-family dwelling or 900 square feet, whichever is greater; and

(B) the unit is located within or appurtenant to a single-family dwelling, whether the dwelling is existing or new construction.

(51) “Transit route” means a set route or network of routes on which a public transit service as defined in 24 V.S.A. § 5088 operates a regular schedule.

Sec. 33. 24 V.S.A. § 4460 is amended to read:

§ 4460. APPROPRIATE MUNICIPAL PANELS

\* \* \*

(g)(1) This subsection shall apply to a subdivision or development that:

(A) was previously permitted pursuant to 10 V.S.A. chapter 151;

(B) is located in a Tier 1A area pursuant to 10 V.S.A. § 6034; and

(C) has applied for a permit or permit amendment required by zoning regulations or bylaws adopted pursuant to this subchapter.

(2) The appropriate municipal panel reviewing a municipal permit or permit amendment pursuant to this subsection shall include conditions contained within a permit previously issued pursuant to 10 V.S.A. chapter 151 unless the panel determines that the permit condition pertains to any of the following:

(A) the construction phase of the project that has already been constructed;

(B) compliance with another State permit that has independent jurisdiction;

(C) federal or State law that is no longer in effect or applicable;

(D) an issue that is addressed by municipal regulation and the project will meet the municipal standards; or

(E) a physical or use condition that is no longer in effect or applicable or that will no longer be in effect or applicable once the new project is approved.

(3) After issuing or amending a permit containing conditions pursuant to this subsection, the appropriate municipal panel shall provide notice and a copy of the permit to the Land Use Review Board.

(4) The appropriate municipal panel shall comply with the notice and hearing requirements provided in subdivision 4464(a)(1) of this title. In addition, notice shall be provided to those persons requiring notice under 10 V.S.A. § 6084(b) and shall explicitly reference the existing Act 250 permit.

(5) The appropriate municipal panel's decision shall be issued in accordance with subsection 4464(b) of this title and shall include specific findings with respect to its determinations pursuant to subdivision (2) of this subsection.

(6) Any final action by the appropriate municipal panel affecting a condition of a permit previously issued pursuant to 10 V.S.A. chapter 151 shall be recorded in the municipal land records.

(h) Within a Tier 1A area, the appropriate municipal panel shall enforce any existing permits issued under 10 V.S.A. chapter 151 that has not had its permit conditions transferred to a municipal permit pursuant to subsection (g) of this section.

*Sec. 34. TIER 2 AREA REPORT*

*(a) On or before February 15, 2026, the Land Use Review Board shall report recommendations to address Act 250 jurisdiction in Tier 2 areas. The recommendations shall:*

*(1) recommend statutory changes to address fragmentation of rural and working lands while allowing for development;*

*(2) address how to apply location-based jurisdiction to Tier 2 areas while meeting the statewide planning goals, including how to address commercial development and which shall also include:*

*(A) review of the effectiveness of mitigation of impacts on primary agricultural soils and making recommendations for how to improve protections for this natural resource;*

*(B) review of the effectiveness of jurisdictional triggers for development of retail and service businesses outside village centers, and criterion 9(L), in addressing sprawl and strip development, and how to improve the effectiveness of criterion 9(L); and*

*(C) review of whether and how Act 250 jurisdiction over commercial activities on farms should be revised, including accessory on-farm businesses.*

*(b) The report shall be submitted to the House Committees on Agriculture, Food Resiliency, and Forestry and on Environment and Energy and the Senate Committees on Agriculture and on Natural Resources and Energy.*



*Sec. 35. WOOD PRODUCTS MANUFACTURERS REPORT*

*(a) The Land Use Review Board, in consultation with the Department of Forests, Parks and Recreation, shall convene a stakeholder group to report on how to address the Act 250 permitting process to better support wood products manufacturers and their role in the forest economy.*

*(b) The group shall examine the Act 250 permitting process and identify how the minor permit process provided for in 10 V.S.A. § 6084(g) has been working and whether there are shortcomings or challenges.*

*(c) The group may look at permitting holistically to understand the role of permits from the Agency of Natural Resources, municipal permits, where they apply, and Act 250 permits and develop recommendations to find efficiencies in the entire process or recommend an alternative permitting process for wood products manufacturers.*

*(d) On or before December 15, 2024, the Land Use Review Board shall submit the report to the House Committees on Agriculture, Food Resiliency, and Forestry and on Environment and Energy and the Senate Committee on Natural Resources and Energy.*

*Sec. 36. LOCATION-BASED JURISDICTION REVIEW*

*On or before February 1, 2029, the Land Use Review Board shall review and report on the new Tier jurisdiction framework used to establish location-based jurisdiction for 10 V.S.A. chapter 151. The Board shall report on the*

outcomes and outline successes and any changes that are needed. The Board shall undertake an in-depth review of the Act 250 updates, including the duties and responsibilities of all the staff and the Board itself, specifically whether the updates have reduced appeals and whether the updates have created more equity and cohesion amongst the District Commissions and district coordinators.

*Sec. 37. AFFORDABLE HOUSING DEVELOPMENT REGULATORY  
INCENTIVES STUDY*

(a) The Department of Housing and Community Development, the Vermont Housing and Conservation Board, the Land Access and Opportunity Board, and the Vermont Housing Finance Agency shall:

(1) engage with diverse stakeholders, including housing developers, local government officials, housing advocacy organizations, financial institutions, and community members to identify regulatory policies that incentivize mixed-income, mixed-use development and support affordable housing production as a percentage of new housing units in communities throughout the State, including examining the impact of inclusionary zoning; and

(2) develop recommendations for legislative, regulatory, and administrative actions to improve and expand affordable housing development incentives within State designated areas.

(b) On or before December 15, 2024, the Department of Housing and Community Development shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs and on Natural Resources and Energy and the House Committees on General and Housing and on Environment and Energy with its findings and recommendations.

*Sec. 37a. TRANSPORTATION SUPPORT STUDY*

(a) On or before December 15, 2025, the Agency of Transportation, after consultation with the Department of Housing and Community Development, the Vermont League of Cities and Towns, the Vermont Association of Planning and Development Agencies, and the Natural Resources Board, shall review the revenue received by the State, both current and projected, for transit support through Act 250 and the revenue and benefits to developers, to the State, and to the community received through transportation impact fees, and shall suggest processes to preserve these revenues, requirements, and benefits.

(b) The Agency shall consider including transportation demand management and subsidy requirements in development review authority for municipalities, the authority or ability of the Agency of Transportation to enforce transportation impact fees as part of the municipal process, and any other proposals.

(c) The Agency shall hear from a diverse group of stakeholders including developers, local government officials, alternative transportation organizations, transit providers, and financial institutions.

(d) On or before December 15, 2025, the Agency of Transportation shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs, on Natural Resources and Energy, and on Transportation and the House Committees on Transportation and on Environment and Energy with its findings and recommendations.

Sec. 38. [Deleted.]

\* \* \* Environmental Justice \* \* \*

Sec. 39. 3 V.S.A. § 6004 is amended to read:

§ 6004. IMPLEMENTATION OF STATE POLICY

\* \* \*

(c) Each of the covered agencies shall create and adopt on or before July 1, ~~2025~~ 2027 a community engagement plan that describes how the agency will engage with environmental justice focus populations as it evaluates new and existing activities and programs. Community engagement plans shall align with the core principles developed by the Interagency Environmental Justice Committee pursuant to subdivision 6006(c)(2)(B) of this title and take into consideration the recommendations of the Environmental Justice Advisory Council pursuant to subdivision 6006(c)(1)(B) of this title. Each plan shall

*describe how the agency plans to provide meaningful participation in compliance with Title VI of the Civil Rights Act of 1964.*

*(d) The covered agencies shall submit an annual summary beginning on ~~January~~ March 15, 2024 and annually thereafter to the Environmental Justice Advisory Council, detailing all complaints alleging environmental justice issues or Title VI violations and any agency action taken to resolve the complaints. The Advisory Council shall provide any recommendations concerning those reports within 60 days after receipt of the complaint summaries. Agencies shall consider the recommendations of the Advisory Council pursuant to subdivision 6006(c)(1)(E) of this title and substantively respond in writing if an agency chooses not to implement any of the recommendations, within 90 days after receipt of the recommendations.*

\* \* \*

*(f) The Agency of Natural Resources, in consultation with the Interagency Environmental Justice Committee and the Environmental Justice Advisory Council, shall issue guidance on how the covered agencies shall determine which investments provide environmental benefits to environmental justice focus populations on or before September 15, ~~2023~~ 2025. A draft version of the guidance shall be released for a 40-day public comment period before being finalized.*

*(g)(1) On or before February 15, ~~2024~~ 2026, the covered agencies shall, in accordance with the guidance document developed by the Agency of Natural Resources pursuant to subsection (f) of this section, review the past three years and generate baseline spending reports that include:*

*\* \* \**

*(h) On or before July 1, ~~2024~~ 2026, it shall be the goal of the covered agencies to direct investments proportionately in environmental justice focus populations.*

*(i)(1) Beginning on January 15, ~~2026~~ 2028, and annually thereafter, the covered agencies shall either integrate the following information into existing annual spending reports or issue annual spending reports that include:*

*\* \* \**

*(j) Beginning on January 15, ~~2025~~ 2027, the covered agencies shall each issue and publicly post an annual report summarizing all actions taken to incorporate environmental justice into its policies or determinations, rulemaking, permit proceedings, or project review.*

*Sec. 40. 3 V.S.A. § 6005 is amended to read:*

*§ 6005. RULEMAKING*

*(a) On or before July 1, ~~2025~~ 2027, the Agency of Natural Resources, in consultation with the Environmental Justice Advisory Council and the Interagency Environmental Justice Committee, shall adopt rules to:*

\* \* \*

*(b) On or before July 1, ~~2026~~ 2028 and as appropriate thereafter, the covered agencies, in consultation with the Environmental Justice Advisory Council, shall adopt or amend policies and procedures, plans, guidance, and rules, where applicable, to implement this chapter.*

\* \* \*

*Sec. 41. 3 V.S.A. § 6006 is amended to read:*

*§ 6006. ENVIRONMENTAL JUSTICE ADVISORY COUNCIL AND*

*INTERAGENCY ENVIRONMENTAL JUSTICE COMMITTEE*

\* \* \*

*(b) Meetings. The Advisory Council and Interagency Committee shall each meet not more than ~~eight~~ 12 times per year, with at least four meetings occurring jointly. Meetings may be held in person, remotely, or in a hybrid format to facilitate maximum participation and shall be recorded and publicly posted on the Secretary's website.*

*(c) Duties.*

\* \* \*

*(2) The Interagency Committee shall:*

*(A) consult with the Agency of Natural Resources in the development of the guidance document required by subsection 6004(g) of this title on how to*

*determine which investments provide environmental benefits to environmental justice focus populations; and*

*(B) on or before July 1, 2023 2025, develop, in consultation with the Agency of Natural Resources and the Environmental Justice Advisory Council, a set of core principles to guide and coordinate the development of the State agency community engagement plans required under subsection 6004(d) of this title.*

*(3) The Advisory Council and the Interagency Committee shall jointly:*

*(A) consider and recommend to the General Assembly, on or before December 1, 2023 2025, amendments to the terminology, thresholds, and criteria of the definition of environmental justice focus populations, including whether to include populations more likely to be at higher risk for poor health outcomes in response to environmental burdens; and*

*\* \* \**

*Sec. 42. 3 V.S.A. § 6007 is amended to read:*

*§ 6007. ENVIRONMENTAL JUSTICE MAPPING TOOL*

*\* \* \**

*(c) On or before January 1, 2025 2027, the mapping tool shall be available for use by the public as well as by the State government.*



*Sec. 43. 2022 Acts and Resolves No. 154, Sec. 3 is amended to read:*

*Sec. 3. SPENDING REPORT*

*On or before December 15, 2025 2027, the Agency of Natural Resources shall submit a report to the General Assembly describing whether the baseline spending reports completed pursuant to 3 V.S.A. § 6004(g) of this section indicate if any municipalities or portions of municipalities are routinely underserved with respect to environmental benefits, taking into consideration whether those areas receive, averaged across three years, a significantly lower percentage of environmental benefits from State investments as compared to other municipalities or portions of municipalities in the State. This report shall include a recommendation as to whether a statutory definition of “underserved community” and any other revisions to this chapter are necessary to best carry out the Environmental Justice State Policy.*

*\* \* \* Amicus briefs \* \* \**

*Sec. 44. 10 V.S.A. § 8504(q) is added to read:*

*(q) Amicus curiae. Notwithstanding the hearing of an appeal as de novo, any judge presiding over appeals from chapter 151 of this title and Agency permits pursuant to subsection (a) of this section may allow participation in such appeals by amicus curiae following the Rules of Appellate Procedure Rule 29.*

*\* \* \* Future Land Use Maps \* \* \**

*Sec. 45. 24 V.S.A. § 4302 is amended to read:*

*§ 4302. PURPOSE; GOALS*

*\* \* \**

*(c) In addition, this chapter shall be used to further the following specific goals:*

*(1) To plan development so as to maintain the historic settlement pattern of compact village and urban centers separated by rural countryside.*

*(A) Intensive residential development should be encouraged primarily in ~~areas related to community centers~~ downtown centers, village centers, planned growth areas, and village areas as described in section 4348a of this title, and strip development along highways should be ~~discouraged~~ avoided. These areas should be planned so as to accommodate a substantial majority of housing needed to reach the housing targets developed for each region pursuant to subdivision 4348a(a)(9) of this title.*

*(B) Economic growth should be encouraged in locally and regionally designated growth areas, employed to revitalize existing village and urban centers, or both, ~~and should be encouraged in growth centers designated under chapter 76A of this title.~~*

*(C) Public investments, including the construction or expansion of infrastructure, should reinforce the ~~general character and~~ planned growth patterns of the area.*

*(D) Development should be undertaken in accordance with smart growth principles as defined in subdivision 2791(13) of this title.*

*\* \* \**

*(5) To identify, protect, and preserve important natural and historic features of the Vermont landscape, including:*

*(A) significant natural and fragile areas;*

*(B) outstanding water resources, including lakes, rivers, aquifers, shorelands, and wetlands;*

*(C) significant scenic roads, waterways, and views;*

*(D) important historic structures, sites, or districts, archaeological sites, and archaeologically sensitive areas.*

*(6) To maintain and improve the quality of air, water, wildlife, forests, and other land resources.*

*(A) Vermont's air, water, wildlife, mineral, and land resources should be planned for use and development according to the principles set forth in 10 V.S.A. § 6086(a).*

*(B) Vermont's water quality should be maintained and improved according to the policies and actions developed in the basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253.*

*(C) Vermont's forestlands should be managed so as to maintain and improve forest blocks and habitat connectors.*

\* \* \*

*(11) To ensure the availability of safe and affordable housing for all Vermonters.*

*(A) Housing should be encouraged to meet the needs of a diversity of social and income groups in each Vermont community, particularly for those citizens of low and moderate income, and consistent with housing targets provided for in subdivision 4348a(a)(9) of this title.*

*(B) New and rehabilitated housing should be safe, sanitary, located conveniently to employment and commercial centers, and coordinated with the provision of necessary public facilities and utilities.*

*(C) Sites for ~~multi-family~~ multifamily and manufactured housing should be readily available in locations similar to those generally used for single-family ~~conventional~~ dwellings.*

*(D) Accessory ~~apartments~~ dwelling units within or attached to single-family residences ~~which~~ that provide affordable housing in close proximity to*

*cost-effective care and supervision for relatives, elders, or persons who have a disability should be allowed.*

\* \* \*

*(14) To encourage flood resilient communities.*

*(A) New development in identified flood hazard, ~~fluvial erosion~~, and river corridor protection areas should be avoided. If new development is to be built in such areas, it should not exacerbate flooding and fluvial erosion.*

*(B) The protection and restoration of floodplains and upland forested areas that attenuate and moderate flooding and fluvial erosion should be encouraged.*

*(C) Flood emergency preparedness and response planning should be encouraged.*

*(15) To equitably distribute environmental benefits and burdens as described in 3 V.S.A. chapter 72.*

\* \* \*

*Sec. 46. 24 V.S.A. § 4345a is amended to read:*

*§ 4345a. DUTIES OF REGIONAL PLANNING COMMISSIONS*

*A regional planning commission created under this chapter shall:*

\* \* \*

*(5) Prepare a regional plan and amendments that are consistent with the goals established in section 4302 of this title, and compatible with*

*approved municipal and adjoining regional plans. When preparing a regional plan, the regional planning commission shall:*

*(A) ~~develop~~ Develop and carry out a process that will encourage and enable widespread citizen involvement; and meaningful participation, as defined in 3 V.S.A. § 6002.*

*(B) ~~develop~~ Develop a regional data base that is compatible with, useful to, and shared with the geographic information system established under 3 V.S.A. § 20;\_*

*(C) ~~conduct~~ Conduct capacity studies;\_*

*(D) ~~identify~~ Identify areas of regional significance. Such areas may be, but are not limited to, historic sites, earth resources, rare and irreplaceable natural areas, recreation areas, and scenic areas;\_*

*(E) ~~use a land evaluation and site assessment system, that shall at a minimum use the criteria established by the Secretary of Agriculture, Food and Markets under 6 V.S.A. § 8, to identify viable agricultural lands; Consider the potential environmental benefits and environmental burdens, as defined in 3 V.S.A. §6002, of the proposed plan.~~*

*(F) ~~consider~~ Consider the probable social and economic benefits and consequences of the proposed plan;\_and\_*

*(G) ~~prepare~~ Prepare a report explaining how the regional plan is consistent with the goals established in section 4302 of this title.*

\* \* \*

*(11) Review proposed State capital expenditures prepared pursuant to 32 V.S.A. chapter 5 and the Transportation Program prepared pursuant to 19 V.S.A. chapter 1 for compatibility and consistency with regional plans and submit comments to the Secretaries of Transportation and Administration and the legislative committees of jurisdiction.*

\* \* \*

*(17) As part of its regional plan, define a substantial regional impact, as the term may be used with respect to its region. This definition shall be given ~~due consideration~~ substantial deference, where relevant, in State regulatory proceedings.*

\* \* \*

*Sec. 47. 24 V.S.A. § 4347 is amended to read:*

*§ 4347. PURPOSES OF REGIONAL PLAN*

*A regional plan shall be made with the general purpose of guiding and accomplishing a coordinated, efficient, equitable, and economic development of the region ~~which~~ that will, in accordance with the present and future needs and resources, best promote the health, safety, order, convenience, prosperity, and welfare of ~~the~~ current and future inhabitants as well as efficiency and economy in the process of development. This general purpose includes recommending a distribution of population and of the uses of the land for*

*urbanization, trade, industry, habitation, recreation, agriculture, forestry, and other uses as will tend to:*

*(1) create conditions favorable to transportation, health, safety, civic activities, and educational and cultural opportunities;*

*(2) reduce the wastes of financial, energy, and human resources ~~which~~ that result from either excessive congestion or excessive scattering of population;*

*(3) promote an efficient and economic utilization of drainage, energy, sanitary, and other facilities and resources;*

*(4) promote the conservation of the supply of food, water, energy, and minerals;*

*(5) promote the production of food and fiber resources and the reasonable use of mineral, water, and renewable energy resources; ~~and~~*

*(6) promote the development of housing suitable to the needs of the region and its communities; and*

*(7) help communities equitably build resilience to address the effects of climate change through mitigation and adaptation consistent with the Vermont Climate Action Plan adopted pursuant to 10 V.S.A. § 592 and 3 V.S.A. chapter 72.*



*Sec. 48. 24 V.S.A. § 4348 is amended to read:*

*§ 4348. ADOPTION AND AMENDMENT OF REGIONAL PLAN*

*(a) A regional planning commission shall adopt a regional plan. Any plan for a region, and any amendment thereof, shall be prepared by the regional planning commission. At the outset of the planning process and throughout the process, regional planning commissions shall solicit the participation of each of their member municipalities, local citizens, and organizations by holding informal working sessions that suit the needs of local people. The purpose of these working sessions is to allow for meaningful participation as defined in 3 V.S.A. § 6002, provide consistent information about new statutory requirements related to the regional plan, explain the reasons for new requirements, and gather information to be used in the development of the regional plan and future land use element.*

*(b) 60 days prior to holding the first public hearing on a regional plan, a regional planning commission shall submit a draft regional plan to the Land Use Review Board review and comments related to conformance of the draft with sections 4302 and 4348a of this title and chapter 139 of this title. The Board shall coordinate with other State agencies and respond within 60 days unless more time is granted by the regional planning commission.*

*(c) The regional planning commission shall hold two or more public hearings within the region after public notice on any proposed plan or*

*amendment. The minimum number of required public hearings may be specified within the bylaws of the regional planning commission.*

*(e)(d)(1) At least 30 days prior to the first hearing, a copy of the proposed plan or amendment, a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter, and a description of any changes to the Regional Future Land Use Map with a request for general comments and for specific comments with respect to the extent to which the plan or amendment is consistent with the goals established in section 4302 of this title, shall be delivered physically or electronically with proof of receipt or sent by certified mail, return receipt requested, to each of the following:*

*(1)(A) the chair of the legislative body, or municipal manager, if any, of each municipality within the region;*

*(2)(B) the executive director of each abutting regional planning commission;*

*(3)(C) the Department of Housing and Community Development within the Agency of Commerce and Community Development and the Community Investment Board for a formal review and comment;*

*(4)(D) business, conservation, low-income advocacy, and other community or interest groups or organizations that have requested notice in writing prior to the date the hearing is warned; and*

~~(5)~~(E) *the Agency of Natural Resources ~~and~~; the Agency of Agriculture, Food and Markets; the Agency of Transportation; the Department of Public Service; the Department of Public Safety's Division of Emergency Management; and the Land Use Review Board.*

(2) *At least 30 days prior to the first hearing, the regional planning commission shall provide each of its member municipalities with a written description of map changes within the municipality, a municipality-wide map showing old versus new areas with labels, and information about the new Tier structure under 10 V.S.A. chapter 151, including how to obtain Tier 1A or 1B status, and the process for updating designated area boundaries.*

~~(d)~~(e) *Any of the foregoing bodies, or their representatives, may submit comments on the proposed regional plan or amendment to the regional planning commission; and may appear and be heard in any proceeding with respect to the adoption of the proposed plan or amendment.*

~~(e)~~(f) *The regional planning commission may make revisions to the proposed plan or amendment at any time not less than 30 days prior to the final public hearing held under this section. If the proposal is changed, a copy of the proposed change shall be delivered physically ~~or~~; electronically with proof of receipt; or by certified mail, return receipt requested, to the chair of the legislative body of each municipality within the region; and to any*

*individual or organization requesting a copy, at least 30 days prior to the final hearing.*

*~~(f)(g) A regional plan or amendment shall be adopted by not less than a 60 percent vote of the commissioners representing municipalities, in accordance with the bylaws of the regional planning commission, and immediately submitted to the legislative bodies of the municipalities that comprise the region. The plan or amendment shall be considered duly adopted and shall take effect 35 days after the date of adoption, unless, within 35 days of the date of adoption, the regional planning commission receives certification from the legislative bodies of a majority of the municipalities in the region vetoing the proposed plan or amendment. In case of such a veto, the plan or amendment shall be deemed rejected.~~*

*(h)(1) Within 15 days following adoption, a regional planning commission shall submit its regionally adopted regional plan to the Land Use Review Board for a determination of regional plan compliance with a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter and a description of any changes to the regional plan future land use map.*

*(2) The Land Use Review Board shall hold a public hearing within 60 days after receiving a plan and provide notice of it at least 15 days in advance by direct mail or electronically with proof of receipt to the requesting regional*

planning commission, posting on the website of the Land Use Review Board, and publication in a newspaper of general circulation in the region affected. The regional planning commission shall notify its municipalities and post on its website the public hearing notice.

(3) The Land Use Review Board shall issue the determination in writing within 15 days after the close of the hearing on the plan. If the determination is affirmative, a copy of the determination shall be provided to the regional planning commission and the Community Investment Board. If the determination is negative, the Land Use Review Board shall state the reasons for denial in writing and, if appropriate, suggest acceptable modifications. Submissions for a new determination that follow a negative determination shall receive a new determination within 45 days.

(4) The Land Use Review Board's affirmative determination shall be based upon finding the regional plan meets the following requirements:

(A) Consistency with the State planning goals as described in section 4302 of this chapter with consistency determined in the manner described under subdivision 4302(f)(1) of this chapter.

(B) Consistency with the purposes of the regional plan established in section 4347 of chapter.

(C) Consistency with the regional plan elements as described in section 4348a of this chapter, except that the requirements of section 4352 of

this chapter related to enhanced energy planning shall be the under the sole authority of the Department of Public Service.

(D) Compatibility with adjacent regional planning areas in the manner described under subdivision 4302(f)(2) of this chapter.

(i) Objections of interested parties.

(1) An interested party who has participated in the regional plan adoption process may object to the approval of the plan or approval of the future land use maps by the Land Use Review Board within 15 days following plan adoption by the regional planning commission. Participation is defined as providing written or oral comments stating objections for consideration at a public hearing held by the regional planning commission. Objections shall be submitted using a form provided by the Land Use Review Board.

(2) As used in this section, an “interested party” means any one of the following:

(A) Any 20 persons by signed petition who own property or reside within the region. The petition must designate one person to serve as the representative of the petitioners regarding all matters related to the objection. The designated representative shall have participated in the regional plan adoption process.

(B) A party entitled to notice under subsection (d) of this section.

*(3) Any objection under this section shall be limited to the question of whether the regional plan is consistent with the regional plan elements and future land use areas as described in section 4348a of this title. The requirements of section 4352 of this title related to enhanced energy planning shall be under the sole authority of the Department of Public Service and shall not be reviewed by the Land Use Review Board.*

*(4) The Land Use Review Board shall hear any objections of regional plan adoption concurrently with regional plan review under subsection (h) of this section and 10 V.S.A. § 6033. The Land Use Review Board decision of approval of a regional plan shall expressly evaluate any objections and state the reasons for their decisions in writing. If applicable, the decision to uphold an objection shall suggest modifications to the regional plan.*

*(j) Minor amendments to regional plan future land use map. A regional planning commission may submit a request for a minor amendment to boundaries of a future land use area for consideration by the Land Use Review Board with a letter of support from the municipality. The request may only be submitted after an affirmative vote of the municipal legislative body and the regional planning commission board. The Land Use Review Board, after consultation with the Community Investment Board and the regional planning commissions, shall provide guidance about what constitutes a minor amendment. Minor amendments may include any change to a future land use*

area consisting of fewer than 10 acres. A minor amendment to a future land use area shall not require an amendment to a regional plan and shall be included in the next iteration of the regional plan. The Board may adopt rules to implement this section.

(k) An affirmative determination of regional plan compliance issued pursuant to this section shall remain in effect until the end of the period for expiration or readoption of the plan to which it applies.

(l) Regional planning commissions shall be provided up to 18 months from a negative determination by the Land Use Review Board to obtain an affirmative determination of regional plan compliance. If a regional planning commission is unable to obtain affirmative determination of regional plan compliance, the plan shall be considered unapproved and member municipalities shall lose any associated benefits related to designations, such as Act 250 exemptions or eligibility for State infrastructure investments.

(m) Upon approval by the Land Use Review Board, the plan shall be considered duly adopted, shall take effect, and is not appealable. The plan shall be immediately submitted to the entities listed in subsection (d) of this section.

(g)(n) Regional plans may be reviewed from time to time and may be amended in the light of new developments and changed conditions affecting the region.



~~(h)(o)~~ *In proceedings under 10 V.S.A. chapter 151, 10 V.S.A. chapter 159, and 30 V.S.A. § 248, in which the provisions of a regional plan or a municipal plan are relevant to the determination of any issue in those proceedings:*

*(1) the provisions of the regional plan shall be given effect to the extent that they are not in conflict with the provisions of a duly adopted municipal plan; and*

*(2) to the extent that such a conflict exists, the regional plan shall be given effect if it is demonstrated that the project under consideration in the proceedings would have a substantial regional impact as determined by the definition in the regional plan.*

*(p) Regional planning commissions shall adopt a regional plan in conformance with this title on or before December 31, 2026.*

*Sec. 49. 24 V.S.A. § 4348a is amended to read:*

*§4348a. ELEMENTS OF A REGIONAL PLAN*

*(a) A regional plan shall be consistent with the goals established in section 4302 of this title and shall include the following:*

*(1) A statement of basic policies of the region to guide the future growth and development of land and of public services and facilities, and to protect the environment.*

*(2) A ~~land-use~~ natural resources and working lands element, which shall consist of a map or maps and ~~statement of present and prospective land uses~~*

*policies, based on ecosystem function, consistent with Vermont Conservation Design, support compact centers surrounded by rural and working lands, and that:*

*(A) Indicates those areas of significant natural resources, including existing and proposed for forests, wetlands, vernal pools, rare and irreplaceable natural areas, floodplains, river corridors, recreation, agriculture, ~~( using the agricultural lands identification process established in 6 V.S.A. § 8), residence, commerce, industry, public, and semi-public semipublic uses, open spaces, areas reserved for flood plain, forest blocks, habitat connectors, recreation areas and recreational trails, and areas identified by the State, regional planning commissions, or municipalities that require special consideration for aquifer protection; for wetland protection; for the maintenance of forest blocks, wildlife habitat, and habitat connectors; or for other conservation purposes.~~*

*(B) Indicates those areas within the region that are likely candidates for designation under sections 2793 ~~(downtown development districts), 2793a (village centers), 2793b (new town centers), and 2793c (growth centers) of this title.~~*

*~~(C) Indicates locations proposed for developments with a potential for regional impact, as determined by the regional planning commission, including flood control projects, surface water supply projects, industrial~~*

~~parks, office parks, shopping centers and shopping malls, airports, tourist attractions, recreational facilities, private schools, public or private colleges, and residential developments or subdivisions.~~

~~(D) Sets forth the present and prospective location, amount, intensity, and character of such land uses and the appropriate timing or sequence of land development activities in relation to the provision of necessary community facilities and services.~~

~~(E) Indicates those areas that have the potential to sustain agriculture and recommendations for maintaining them ~~which~~ that may include transfer of development rights, acquisition of development rights, or farmer assistance programs.~~

~~(F)(C) Indicates those areas that are important as forest blocks and habitat connectors and plans for land development in those areas to minimize forest fragmentation and promote the health, viability, and ecological function of forests. A plan may include specific policies to encourage the active management of those areas for wildlife habitat, water quality, timber production, recreation, or other values or functions identified by the regional planning commission.~~

~~(D) Encourages preservation of rare and irreplaceable natural areas, scenic and historic features and resources.~~

(E) Encourages protection and improvement of the quality of waters of the State to be used in the development and furtherance of the applicable basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253.

(3) *An energy element, ~~which may include~~ including an analysis of resources, needs, scarcities, costs, and problems within the region across all energy sectors, including electric, thermal, and transportation; a statement of policy on the conservation and efficient use of energy and the development and siting of renewable energy resources; a statement of policy on patterns and densities of land use likely to result in conservation of energy; and an identification of potential areas for the development and siting of renewable energy resources and areas that are unsuitable for siting those resources or particular categories or sizes of those resources.*

(4) *A transportation element, ~~which may consist~~ consisting of a statement of present and prospective transportation and circulation facilities, and a map showing existing and proposed highways, including limited access highways, and streets by type and character of improvement, and where pertinent, anticipated points of congestion, parking facilities, transit routes, terminals, bicycle paths and trails, scenic roads, airports, railroads and port facilities, and other similar facilities or uses, and recommendations to meet*

*future needs for such facilities, with indications of priorities of need, costs, and method of financing.*

*(5) A utility and facility element, consisting of a map and statement of present and prospective local and regional community facilities and public utilities, whether publicly or privately owned, showing existing and proposed educational, recreational and other public sites, buildings and facilities, including public schools, State office buildings, hospitals, libraries, power generating plants and transmission lines, wireless telecommunications facilities and ancillary improvements, water supply, sewage disposal, refuse disposal, storm drainage, and other similar facilities and activities, and recommendations to meet future needs for those facilities, with indications of priority of need.*

*(6) A statement of policies on the:*

*~~(A) preservation of rare and irreplaceable natural areas, scenic and historic features and resources; and~~*

*~~(B) protection and improvement of the quality of waters of the State to be used in the development and furtherance of the applicable basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253.~~*

*[Repealed.]*

\* \* \*

*(12) A future land use element, based upon the elements in this section, that sets forth the present and prospective location, amount, intensity, and character of such land uses in relation to the provision of necessary community facilities and services and that consists of a map delineating future land use area boundaries for the land uses in subdivisions (A)–(J) of this subdivision (12) as appropriate and any other special land use category the regional planning commission deems necessary; descriptions of intended future land uses; and policies intended to support the implementation of the future land use element using the following land use categories:*

*(A) Downtown or village centers. These areas are the mixed-use centers bringing together community economic activity and civic assets. They include downtowns, villages, and new town centers previously designated under chapter 76A and downtowns and village centers seeking benefits under the Community Investment Program under section 5804 of this title. The downtown or village centers are the traditional and historic central business and civic centers within planned growth areas, village areas, or may stand alone. Village centers are not required to have public water, wastewater, zoning, or subdivision bylaws.*

*(B) Planned growth areas. These areas include the high-density existing settlement and future growth areas with high concentrations of population, housing, and employment in each region and town, as appropriate.*

They include a mix of historic and nonhistoric commercial, residential, and civic or cultural sites with active streetscapes, supported by land development regulations; public water or wastewater, or both; and multimodal transportation systems. These areas include new town centers, downtowns, village centers, growth centers, and neighborhood development areas previously designated under chapter 76A of this title. These areas should generally meet the smart growth principles definition in chapter 139 of this title and the following criteria:

(i) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with section 4350 of this title and has adopted bylaws and regulations in accordance with sections 4414, 4418, and 4442 of this title.

(ii) This area is served by public water or wastewater infrastructure.

(iii) The area is generally within walking distance from the municipality's or an adjacent municipality's downtown, village center, new town center, or growth center.

(iv) The area excludes identified flood hazard and river corridor areas, except those areas containing preexisting development in areas suitable for infill development as defined in section 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

(v) The municipal plan indicates that this area is intended for higher-density residential and mixed-use development.

(vi) The area provides for housing that meets the needs of a diversity of social and income groups in the community.

(vii) The area is served by planned or existing transportation infrastructure that conforms with “complete streets” principles as described under 19 V.S.A. chapter 24 and establishes pedestrian access directly to the downtown, village center, or new town center. Planned transportation infrastructure includes those investments included in the municipality’s capital improvement program pursuant to section 4430 of this title.

(C) Village areas. These areas include the traditional settlement area or a proposed new settlement area, typically composed of a cohesive mix of residential, civic, religious, commercial, and mixed-use buildings, arranged along a main street and intersecting streets that are within walking distance for residents who live within and surrounding the core. These areas include existing village center designations and similar areas statewide, but this area is larger than the village center designation. Village areas shall meet the following criteria:

(i) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with section 4350 of this title.



(ii) The municipality has adopted bylaws and regulations in accordance with sections 4414, 4418, and 4442 of this title.

(iii) Unless the municipality has adopted flood hazard and river corridor bylaws, applicable to the entire municipality, that are consistent with the standards established pursuant to 10 V.S.A. § 755b (flood hazard) and 10 V.S.A. § 1428(b) (river corridor), the area excludes identified flood hazard and river corridors, 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.

(iv) The municipality has either municipal water or wastewater. If no public wastewater is available, the area must have soils that are adequate for wastewater disposal.

(v) The area has some opportunity for infill development or new development areas where the village can grow and be flood resilient.

(D) Transition or infill area. These areas include areas of existing or planned commercial, office, mixed-use development, or residential uses either adjacent to a planned growth or village area or a new stand-alone transition or infill area and served by, or planned for, public water or wastewater, or both. The intent of this land use category is to transform these areas into higher-density, mixed-use settlements, or residential neighborhoods through infill and redevelopment or new development. New commercial linear strip

development is not allowed as to prevent it negatively impacting the economic vitality of commercial areas in the adjacent or nearby planned growth or village area. This area could also include adjacent greenfields safer from flooding and planned for future growth.

(E) Resource-based recreation areas. These areas include large-scale resource-based recreational facilities, often concentrated around ski resorts, lakeshores, or concentrated trail networks, that may provide infrastructure, jobs, or housing to support recreational activities.

(F) Enterprise areas. These areas include locations of high economic activity and employment that are not adjacent to planned growth areas. These include industrial parks, areas of natural resource extraction, or other commercial uses that involve larger land areas. Enterprise areas typically have ready access to water supply, sewage disposal, electricity, and freight transportation networks.

(G) Hamlets. Small historic clusters of homes and may include a school, place of worship, store, or other public buildings not planned for significant growth; no public water supply or wastewater systems; and mostly focused along one or two roads. These may be depicted as points on the future land use map.

(H) Rural; general. These areas include areas that promote the preservation of Vermont's traditional working landscape and natural area

features. They allow for low-density residential and some limited commercial development that is compatible with productive lands and natural areas. This may also include an area that a municipality is planning to make more rural than it is currently.

(I) Rural; agricultural and forestry. These areas include blocks of forest or farmland that sustain resource industries, provide critical wildlife habitat and movement, outdoor recreation, flood storage, aquifer recharge, and scenic beauty, and contribute to economic well-being and quality of life. Development in these areas should be carefully managed to promote the working landscape and rural economy, and address regional goals, while protecting the agricultural and forest resource value.

(J) Rural; conservation. These are areas of significant natural resources, identified by regional planning commissions or municipalities based upon existing Agency of Natural Resources mapping that require special consideration for aquifer protection; for wetland protection; for the maintenance of forest blocks, wildlife habitat, and habitat connectors; or for other conservation purposes. The mapping of these areas and accompanying policies are intended to help meet requirements of 10 V.S.A. chapter 89. Any portion of this area that is approved by the LURB as having Tier 3 area status shall be identified on the future land use map as an overlay upon approval.

*(b) The various elements and statements shall be correlated with the land use element and with each other. The maps called for by this section may be incorporated on one or more maps, and may be referred to in each separate statement called for by this section.*

*(c) The regional plan future land use map shall delineate areas within the regional planning commission's member municipalities that are eligible to receive designation benefits as centers and neighborhoods when the future land use map is approved by the Land Use Review Board per 10 V.S.A. § 6033. The areas eligible for designation as centers shall be identified on the regional plan future land use map as regional downtown centers and village centers. The areas eligible for designation as neighborhoods shall be identified on the regional plan future land use map as planned growth areas and village areas in a manner consistent with this section and chapter 139 of this title. This methodology shall include all approved designated downtowns, villages, new town centers, neighborhood development areas, and growth centers existing on December 31, 2025, unless the subject member municipality requests otherwise.*

*(d) With the exception of preexisting, nonconforming designations approved prior to the establishment of the program, the areas eligible for designation benefits upon the Land Use Review Board's approval of the regional plan future land use map for designation as a center shall not include*

development that is disconnected from a downtown or village center and that lacks an existing or planned pedestrian connection to the center via a complete street.

(e) The Vermont Association of Planning and Development Agencies shall develop, maintain, and update standard methodology and process for the mapping of areas eligible for Tier 1B status under 10 V.S.A. § 6033 and designation under chapter 139 of this title. The methodology shall be issued on or before December 31, 2024, in consultation with the Department of Housing and Community Development and Land Use Review Board.

*Sec. 50. REGIONAL PLANNING COMMISSION STUDY*

(a) The Vermont Association of Planning and Development Agencies (VAPDA) shall hire an independent contractor to study the strategic opportunities for regional planning commissions to better serve municipalities and the State. This study shall seek to ensure that the regional planning commissions are statutorily enabled and strategically positioned to meet ongoing and emerging State and municipal needs and shall review the following: governance, funding, programs, service delivery, equity, accountability, and staffing.

(b) A stakeholder group composed of the Vermont League of Cities and Towns, Vermont Council on Rural Development, the Department of Housing and Community Development, the Agency of Administration, the Office of

Racial Equity, legislators, and others will be invited to participate in the study to provide their insights into governance structure, accountability, and performance standards.

(c) The study shall identify the gaps in statutory enabling language, structure, and local engagement and make recommendations on how to improve and ensure consistent and equitable statewide programming and local input and engagement, including methods to improve municipal participation; the amount of regional planning grant funding provided to each regional planning commission relative to statutory responsibilities, the number of municipalities, and other demands; and how to make it easier for municipalities to work together.

(d) On or before December 31, 2024, the study report shall be submitted to the House Committees on Environment and Energy, on Commerce and Economic Development, and on Government Operations and Military Affairs and the Senate Committees on Economic Development, Housing and General Affairs, on Natural Resources and Energy, and on Government Operations.

*\* \* \* Municipal Zoning \* \* \**

*Sec. 51. 24 V.S.A. § 4382 is amended to read:*

*§ 4382. THE PLAN FOR A MUNICIPALITY*

*(a) A plan for a municipality shall be consistent with the goals established in section 4302 of this title and compatible with approved plans of other*

*municipalities in the region and with the regional plan and shall include the following:*

*\* \* \**

*(10) A housing element that shall include a recommended program for public and private actions to address housing needs and targets as identified by the regional planning commission pursuant to subdivision 4348a(a)(9) of this title. The program ~~should~~ shall use data on year-round and seasonal dwellings and include specific actions to address the housing needs of persons with low income and persons with moderate income and account for permitted residential development as described in section 4412 of this title.*

*\* \* \**

*Sec. 52. 24 V.S.A. § 4412 is amended to read:*

*§ 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS*

*Notwithstanding any existing bylaw, the following land development provisions shall apply in every municipality:*

*(1) Equal treatment of housing and required provisions for affordable housing.*

*\* \* \**

*(D) Bylaws shall designate appropriate districts and reasonable regulations for multiunit or multifamily dwellings. No bylaw shall have the effect of excluding these multiunit or multifamily dwellings from the*

~~municipality. In any district that allows year-round residential development, duplexes shall be an allowed or permitted use with the same dimensional standards as that are not more restrictive than is required for a single-unit dwelling, including no additional land or lot area than would be required for a single-unit dwelling. In any district that allows year-round residential development, duplexes shall be an allowed use with ~~the same~~ dimensional standards ~~as~~ that are not more restrictive than is required for a single-unit dwelling, including no additional land or lot area than would be required for a single-unit dwelling. In any district that is served by municipal sewer and water infrastructure that allows residential development, multiunit dwellings with four or fewer units shall be a permitted use on the same size lot as single-unit dwelling, unless that district specifically requires multiunit structures to have more than four dwelling units.~~

\* \* \*

~~(12) In any area served by municipal sewer and water infrastructure that allows residential development, bylaws shall establish lot and building dimensional standards that allow five or more dwelling units per acre for each allowed residential use, and density. Any lot that is smaller than one acre but granted a variance of not more than 10 percent shall be treated as one acre for the purposes of this subsection. Density and minimum lot size standards for~~



~~multiunit dwellings shall not be more restrictive than those required for single-family dwellings.~~

*(12) In any area served by municipal sewer and water infrastructure that allows residential development, bylaws shall establish lot and building dimensional standards that allow five or more dwelling units per acre for each allowed residential use, and density. Density and minimum lot size standards for multiunit dwellings shall not be more restrictive than those required for single-family dwellings.*

*(13) In any area served by municipal sewer and water infrastructure that allows residential development, bylaws shall permit any affordable housing development, as defined in subdivision 4303(2) of this title, including mixed-use development, to exceed density limitations for residential developments by an additional 40 percent, rounded up to the nearest whole unit, which shall include exceeding maximum height limitations by one floor, provided that the structure complies with the Vermont Fire and Building Safety Code.*

*(14) No zoning or subdivision bylaw shall have the effect of prohibiting unrelated occupants from residing in the same dwelling unit.*

*Sec. 53. 24 V.S.A. § 4413 is amended to read:*

*§ 4413. LIMITATIONS ON MUNICIPAL BYLAWS*

*(a)(1) The following uses may be regulated only with respect to location, size, height, building bulk, yards, courts, setbacks, density of buildings, off-street parking, loading facilities, traffic, noise, lighting, landscaping, and screening requirements, and only to the extent that regulations do not have the effect of interfering with the intended functional use:*

*(A) State- or community-owned and -operated institutions and facilities;*

*(B) public and private schools and other educational institutions certified by the Agency of Education;*

*(C) churches and other places of worship, convents, and parish houses;*

*(D) public and private hospitals;*

*(E) regional solid waste management facilities certified under 10 V.S.A. chapter 159;*

*(F) hazardous waste management facilities for which a notice of intent to construct has been received under 10 V.S.A. § 6606a; ~~and~~*

*(G) emergency shelters; and*

*(H) hotels and motels converted to permanently affordable housing developments.*

\* \* \*

*Sec. 54. 24 V.S.A. § 4428 is added to read:*

§ 4428. PARKING BYLAWS

(a) Parking regulation. Consistent with section 4414 of this title and with this section, a municipality may regulate parking.

(b) Parking space size standards. For the purpose of residential parking, a municipality shall define a standard parking space as not larger than nine feet by 18 feet, however a municipality may allow a portion of parking spaces to be smaller for compact cars or similar use. A municipality may require a larger space wherever American with Disabilities Act-compliant spaces are required.

(c) Existing nonconforming parking. A municipality shall allow an existing nonconforming parking space to count toward the parking requirement of an existing residential building if new residential units are added to the building.

(d) Adjacent lots. A municipality may allow a person with a valid legal agreement for use of parking spaces in an adjacent or nearby lot to count toward the parking requirement of a residential building.

*Sec. 55. 2023 Acts and Resolves No. 47, Sec. 1 is amended to read:*

*Sec. 1. 24 V.S.A. § 4414 is amended to read:*

§ 4414. ZONING; PERMISSIBLE TYPES OF REGULATIONS

\* \* \*

*(4) Parking and loading facilities. A municipality may adopt provisions setting forth standards for permitted and required facilities for off-street parking and loading, which may vary by district and by uses within each district. In any district that is served by municipal sewer and water infrastructure that allows residential uses, a municipality shall not require more than one parking space per dwelling unit. However, a municipality may require 1.5 parking spaces for duplexes and multiunit dwellings in areas not served by sewer and water; and in areas that are located more than one-quarter mile away from public parking. The number of parking spaces shall be rounded up to the nearest whole number when calculating the total number of spaces. These bylaws may also include provisions covering the location, size, design, access, landscaping, and screening of those facilities. In determining the number of parking spaces for nonresidential uses and size of parking spaces required under these regulations, the appropriate municipal panel may take into account the existence or availability of employer “transit pass” and rideshare programs, public transit routes, and public parking spaces in the vicinity of the development.*

\* \* \*

*Sec. 56. 2023 Acts and Resolves No. 81, Sec. 10 is amended to read:*

*Sec. 10. 2023 Acts and Resolves No. 47, Sec. 47 is amended to read:*

*Sec. 47. EFFECTIVE DATES*

*This act shall take effect on July 1, 2023, except that:*

*(1) Sec. 1 (24 V.S.A. § 4414) shall take effect on ~~December~~ July 1, 2024.*

*\* \* \**

~~Sec. 57. 24 V.S.A. § 4429 is added to read.~~

~~§ 4429. LOT COVERAGE BYLAWS~~

~~*A municipality shall allow for a lot coverage bonus of 10 percent on lots that allow access to new or subdivided lots without road frontage.*~~

~~Sec. 57. [Deleted.]~~

~~Sec. 58. 24 V.S.A. § 4464 is amended to read.~~

~~§ 4464. HEARING AND NOTICE REQUIREMENTS; DECISIONS AND  
CONDITIONS; ADMINISTRATIVE REVIEW; ROLE OF  
ADVISORY COMMISSIONS IN DEVELOPMENT REVIEW~~

~~\* \* \*~~

~~(b) Decisions.~~

~~(1) The appropriate municipal panel may recess the proceedings on any application pending submission of additional information. The panel should close the evidence promptly after all parties have submitted the requested information. The panel shall adjourn the hearing and issue a decision within 45 180 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 46th day complete application was submitted unless both the~~

~~applicant and the panel agree to waive the deadline. Decisions shall be issued in writing and shall include a statement of the factual bases on which the appropriate municipal panel has made its conclusions and a statement of the conclusions. The minutes of the meeting may suffice, provided the factual bases and conclusions relating to the review standards are provided in conformance with this subsection.~~

Sec. 58. 24 V.S.A. § 4464 is amended to read:

§ 4464. HEARING AND NOTICE REQUIREMENTS; DECISIONS AND  
CONDITIONS; ADMINISTRATIVE REVIEW; ROLE OF  
ADVISORY COMMISSIONS IN DEVELOPMENT REVIEW

\* \* \*

(b) Decisions.

(1) Within 120 days of an application being deemed complete, the appropriate municipal panel shall notice and warn a hearing on the application. The appropriate municipal panel may recess the proceedings on any application pending submission of additional information. The panel should close the evidence promptly after all parties have submitted the requested information. The panel shall adjourn the hearing and issue a decision within 45 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 46th day. Decisions shall be issued in writing and shall include a statement of the factual bases on which the appropriate municipal panel has made its conclusions and a statement of the conclusions. The minutes of the meeting may suffice, provided the factual bases and conclusions relating to the review standards are provided in conformance with this subsection.*

*\* \* \**

~~Sec. 59. 24 V.S.A. § 4465 is amended to read:~~

*§ 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER*

*\* \* \**

*(b) As used in this chapter, an “interested person” means any one of the following:*

*\* \* \**

*(4) Any ~~10~~ 25 persons who may be any combination of voters, residents, or real property owners within a municipality listed in subdivision (2) of this subsection who, by signed petition to the appropriate municipal panel of a municipality, the plan or a bylaw of which is at issue in any appeal brought under this title, allege that any relief requested by a person under this title, if granted, will not be in accord with the policies, purposes, or terms of the plan or bylaw of that municipality. This petition to the appropriate municipal panel ~~must designate one person to come as the representative of the petitioner.~~*

~~regarding all matters related to the appeal. For purposes of this subdivision,  
an appeal shall not include the character of the area affected if the project has  
a residential component that includes affordable housing.~~

Sec. 59. 24 V.S.A. § 4465 is amended to read:

§ 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

\* \* \*

(b) As used in this chapter, an “interested person” means any one of the following:

\* \* \*

(4) Any ~~10~~ 20 persons who may be any combination of voters, residents, or real property owners within a municipality listed in subdivision (2) of this subsection who, by signed petition to the appropriate municipal panel of a municipality, the plan or a bylaw of which is at issue in any appeal brought under this title, allege that any relief requested by a person under this title, if granted, will not be in accord with the policies, purposes, or terms of the plan or bylaw of that municipality. This petition to the appropriate municipal panel must designate one person to serve as the representative of the petitioners regarding all matters related to the appeal. For purposes of this subdivision, an appeal shall not include the character of the area affected if the project has a residential component that includes affordable housing.



\* \* \*

*Sec. 60. [Deleted.]*

*Sec. 61. 10 V.S.A. § 8504 is amended to read:*

*§ 8504. APPEALS TO THE ENVIRONMENTAL DIVISION*

\* \* \*

*(k) Limitations on appeals. Notwithstanding any other provision of this section:*

*(1) there shall be no appeal from a District Commission decision when the Commission has issued a permit and no hearing was requested or held, or no motion to alter was filed following the issuance of an administrative amendment;*

*(2) a municipal decision regarding whether a particular application qualifies for a recorded hearing under 24 V.S.A. § 4471(b) shall not be subject to appeal;*

*(3) if a District Commission issues a partial decision under subsection 6086(b) of this title, any appeal of that decision must be taken within 30 days of following the date of that decision; and*

*(4) it shall be the goal of the Environmental Division to issue a decision on a case regarding an appeal of an appropriate municipal panel decision under 24 V.S.A. chapter 117 within 90 days following the close of the hearing.*

\* \* \*

*\* \* \* Resilience Planning \* \* \**

*Sec. 62. 24 V.S.A. § 4306 is amended to read:*

*§ 4306. MUNICIPAL AND REGIONAL PLANNING AND RESILIENCE*

*FUND*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

*(d) Until July 1, 2027, the annual disbursement to municipalities shall:*

*(1) prioritize funding grants to municipalities that do not have zoning or subdivision bylaws to create zoning or subdivision bylaws;*

*(2) allow a regional planning commission to submit an application for disbursement on behalf of a municipality; and*

*(3) not require a municipality without zoning or subdivision bylaws to contribute matching funds in order to receive a grant.*

*Sec. 63. [Deleted.]*

*Sec. 64. [Deleted.]*

*\* \* \* Designated Areas Update \* \* \**

*Sec. 65. REPEALS*

*(a) 24 V.S.A. chapter 76A (Historic Downtown Development) is repealed on July 1, 2034.*

*(b) 24 V.S.A. § 2792 (Vermont Downtown Development Board) is repealed on July 1, 2024.*

*Sec. 66. 24 V.S.A. chapter 139 is added to read:*

CHAPTER 139. STATE COMMUNITY INVESTMENT PROGRAM

§ 5801. DEFINITIONS

As used in this chapter:

(1) “Community Investment Program” means the program established in this chapter, as adapted from the former State designated areas program formerly in chapter 76A of this title. Statutory references outside this chapter referring to the former State-designated downtown, village centers, and new town centers shall mean designated center, once established. Statutory references outside this chapter referring to the former State-designated neighborhood development areas and growth centers shall mean designated neighborhood, once established. The program shall extend access to benefits that sustain and revitalize existing buildings and maintain the basis of the program’s primary focus on revitalizing historic downtowns, villages and surrounding neighborhoods by promoting smart growth development patterns and historic preservation practices vital to Vermont’s economy, cultural landscape, equity of opportunity, and climate resilience.

(2) “Complete streets” or “complete street principles” has the same meaning as in 19 V.S.A. chapter 24.

(3) “Department” means the Department of Housing and Community Development.

(4) “Downtown center” or “village center” means areas on the regional plan future land use maps that may be designated as a center consistent with section 4348a of this title.

(5) “LURB” refers to the Land Use Review Board established pursuant to 10 V.S.A. § 6021.

(6) “Infill” means the use of vacant land or property or the redevelopment of existing buildings within a built-up area for further construction or land development.

(7) “Local downtown organization” means either a nonprofit corporation, or a board, council, or commission created by the legislative body of the municipality, whose primary purpose is to administer and implement the community reinvestment agreement and other matters regarding the revitalization of the downtown.

(8) “Planned growth area” means an area on the regional plan future land use maps required under section 4348a of this title, which may encompass a downtown center or village center on the regional future land use map and may be designated as a center or neighborhood, or both.

(9) “Regional plan future land use map” means the map prepared pursuant to section 4348a of this title.

(10) “Sprawl repair” means the redevelopment of lands with buildings, traffic and circulation, parking, or other land coverage in a pattern that is consistent with smart growth principles.

(11) “State Board” means the Vermont Community Investment Board established in section 5802 of this title.

(12) “State Designated Downtown and Village Center” or “center” means a contiguous downtown or village a portion of which is listed or eligible for listing in the national register of historic places area approved as part of the LURB review of regional plan future land use maps, which may include an approved preexisting designated designated downtown, village center, or designated new town center established prior to the approval of the regional plan future land use maps.

(13) “State designated neighborhood” or “neighborhood” means a contiguous geographic area approved as part of the Land Use Review Board review of regional plan future land use maps that is compact and adjacent and contiguous to a center.

(14) “Vermont Downtown Program” means a program within the Department that coordinates with Main Street America that helps support community investment and economic vitality while preserving the historic character of Vermont’s downtowns. The Vermont Downtown Program provides downtowns with financial incentives, training, and technical



assistance supporting local efforts to restore historic buildings, improve housing, design walkable communities, and encourage economic development by incentivizing public and private investments.

(15) "Village area" means an area on the regional plan future land use maps adopted pursuant to section 4348a of this title, which may encompass a village center on the regional future land use map.

§ 5802. VERMONT COMMUNITY INVESTMENT BOARD

(a) A Vermont Community Investment Board, also referred to as the "State Board," is created to administer the provisions of this chapter. The State Board shall be composed of the following members or their designees:

(1) the Secretary of Commerce and Community Development;

(2) the Secretary of Transportation;

(3) the Secretary of Natural Resources;

(4) the Commissioner of Public Safety;

(5) the State Historic Preservation Officer;

(6) a member of the community designated by the Director of Racial Equity;

(7) a person, appointed by the Governor from a list of three names submitted by the Vermont Natural Resources Council and the Preservation Trust of Vermont;

(8) a person, appointed by the Governor from a list of three names submitted by the Vermont Association of Chamber of Commerce Executives;

(9) three public members representative of local government, one of whom shall be designated by the Vermont League of Cities and Towns and two of whom shall be appointed by the Governor;

(10) the Executive Director of the Vermont Bond Bank;

(11) the State Treasurer;

(12) a member of the Vermont Planners Association designated by the Association;

(13) a representative of a regional development corporation designated by the regional development corporations; and

(14) a representative of a regional planning commission designated by the Vermont Association of Planning and Development Agencies.

(b) The State Board shall elect a chair and vice chair from among its membership.

(c) The Department shall provide legal, staff, and administrative support to the State Board; shall produce guidelines to direct municipalities seeking to obtain designation under this chapter and for other purposes established by this chapter; and shall pay per diem compensation for board members pursuant to 32 V.S.A. § 1010(b).

(d) The State Board shall meet at least quarterly.

(e) The State Board shall have authority to adopt rules of procedure to use for appeal of its decisions and rules on handling conflicts of interest.

(f) In addition to any other duties confirmed by law, the State Board shall have the following duties:

(1) to serve as the funding and benefits coordination body for the State Community Investment Program;

(2) to review and comment on proposed regional plan future land use maps prepared by the regional planning commission and presented to the LURB for designated center and designated neighborhood recognition under 10 V.S.A. § 6033;

(3) to award tax credits under the 32 V.S.A. § 5930aa et seq.;

(4) to manage the Downtown Transportation and Related Capital Improvement Fund Program established by section 5808 of this title; and

(5) to review and comment on LURB guidelines, rules, or procedures for the regional plan future land use maps as they relate to the designations under this chapter.

§ 5803. DESIGNATION OF DOWNTOWN AND VILLAGE CENTERS

(a) Designation established. A regional planning commission may apply to the LURB for approval and designation of all centers by submitting the regional plan future land use map adopted by the regional planning commission. The regional plan future land use map shall identify downtown

centers and village centers as the downtown and village areas eligible for designation as centers. The Department and State Board shall provide comments to the LURB on areas eligible for center designation as provided under this chapter.

(b) Inclusions. The areas mapped by the regional planning commissions as a center shall allow for the designation of preexisting, designated downtowns, village centers and new town centers in existence on or before December 31, 2025.

(c) Exclusions. With the exception for preexisting, nonconforming designations approved prior to the establishment of the program under this chapter or areas included in the municipal plan for the purposes of relocating a municipality's center for flood resiliency purposes, the areas eligible for designation benefits upon the LURB's approval of the regional plan future land use map for designation as a Center shall not include development that is disconnected from a Center and that lacks a pedestrian connection to the Center via a complete street.

(d) Approval. The LURB shall conduct its review pursuant to 10 V.S.A. § 6033.

(e) Transition. All designated downtowns, village centers, or new town centers existing as of December 31, 2025 will retain current benefits until December 31, 2026 or until approval of the regional future land use maps by

the LURB, whichever comes first. All existing designations in effect December 31, 2025 will expire December 31, 2026 if the regional plan does not receive LURB approval under this chapter. All benefits for unexpired designated downtowns, village centers, and new town centers that are removed under this chapter shall remain in effect until July 1, 2034. Prior to June 30, 2026, no check-in or renewals shall be required for the preexisting designations. New applications for downtowns, villages, and new town centers may be approved by the State Board prior to the first public hearing on a regional future land use map or until December 31, 2025, whichever comes first.

(f) Benefits Steps. A center may receive the benefits associated with the steps in this section by meeting the established requirements. The Department shall review applications from municipalities to advance from Step One to Two and from Step Two to Three and issue written decisions. The Department shall issue a written administrative decision within 30 days following an application. If a municipal application is rejected by the Department, the municipality may appeal the administrative decision to the State Board. To maintain a downtown approved under chapter 76A after December 31, 2026, the municipality shall apply for renewal following a regional planning approval by the LURB and meet the program requirements. Step Three designations that are not approved for renewal revert to Step Two. The municipality may appeal the administrative decision of the Department to the

State Board. Appeals of administrative decisions shall be heard by the State Board at the next meeting following a timely filing stating the reasons for the appeal. The State Board's decision is final. The Department shall issue guidance to administer these steps.

(1) Step One.

(A) Requirements. Step One is established to create an accessible designation for all villages throughout the State to become eligible for funding and technical assistance to support site-based improvements and planning. All downtown and village centers shall automatically reach Step One upon approval of the regional plan future land use map by the LURB. Regional plan future land use maps supersede preexisting designated areas that may already meet the Step One requirement.

(B) Benefits. A center that reaches Step One is eligible for the following benefits:

(i) funding and technical assistance eligibility for site-based projects, including the Better Places Grant Program under section 5810 of this chapter, access to the Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq., and other programs identified in the Department's guidance; and

(ii) funding priority for developing or amending the municipal plan, visioning, and assessments.

(2) Step Two.

(A) Requirements. Step Two is established to create a mid-level designation for villages throughout the State to increase planning and implementation capacity for community-scale projects. A center reaches Step Two if it:

(i) meets the requirements of Step One or if it has a designated village center or new town center under chapter 76A of this title upon initial approval of the regional plan future land use map and prior to December 31, 2026;

(ii) has a confirmed municipal planning process pursuant to 24 V.S.A. § 4350;

(iii) has a municipal plan with goals for investment in the center;  
and

(iv) a portion of the center is listed or eligible for listing in the National Register of Historic Places.

(B) Benefits. In addition to the benefits of Step One, a center that reaches Step Two is eligible for the following benefits:

(i) funding priority for bylaws and special-purpose plans, capital plans, and area improvement or reinvestment plans, including priority consideration for the Better Connections Program and other applicable programs identified by Department guidance;

(ii) funding priority for infrastructure project scoping, design, engineering, and construction by the State Program and State Board;

(iii) the authority to create a special taxing district pursuant to chapter 87 of this title for the purpose of financing both capital and operating costs of a project within the boundaries of a center;

(iv) priority consideration for State and federal affordable housing funding;

(v) authority for the municipal legislative body to establish speed limits of less than 25 mph within the center under 23 V.S.A. § 1007(g);

(vi) State wastewater permit fees capped at \$50.00 for residential development under 3 V.S.A. § 2822;

(vii) exemption from the land gains tax under 32 V.S.A. § 10002(p); and

(viii) assistance and guidance from the Department for establishing local historic preservation regulations.

(3) Step Three.

(A) Requirements. Step Three is established to create an advanced designation for downtowns throughout the State to create mixed-use centers and join the Vermont Downtown Program. A center reaches Step Three if the Department finds that it meets the following requirements:



(i) Meets the requirements of Step Two, or if it has an existing downtown designated under chapter 76A of this title in effect upon initial approval of the regional future land use map and prior to December 31, 2026.

(ii) Is listed or eligible for listing in the National Register of Historic Places.

(iii) Has a downtown improvement plan.

(iv) Has a downtown investment agreement.

(v) Has a capital program adopted under section 4430 of this title that implements the Step Three requirements.

(vi) Has a local downtown organization with an organizational structure necessary to sustain a comprehensive long-term downtown revitalization effort, including a local downtown organization that will collaborate with municipal departments, local businesses, and local nonprofit organizations. The local downtown organization shall work to:

(I) enhance the physical appearance and livability of the area by implementing local policies that promote the use and rehabilitation of historic and existing buildings, by developing pedestrian-oriented design requirements, by encouraging new development and infill that satisfy such design requirements, and by supporting long-term planning that is consistent with the goals set forth in section 4302 of this title;

(II) build consensus and cooperation among the many groups and individuals who have a role in the planning, development, and revitalization process;

(III) market the assets of the area to customers, potential investors, new businesses, local citizens, and visitors;

(IV) strengthen, diversify, and increase the economic activity within the downtown; and

(V) measure annually progress and achievements of the revitalization efforts as required by Department guidelines.

(vii) Has available public water and wastewater service and capacity.

(viii) Has permanent zoning and subdivision bylaws.

(ix) Has adopted historic preservation regulations for the district with a demonstrated commitment to protect and enhance the historic character of the downtown through the adoption of bylaws that adequately meet the historic preservation requirements in subdivisions 4414(1)(E) and (F) of this title, unless recognized by the program as a preexisting designated new town center.

(x) Has adopted design or form-based regulations that adequately regulate the physical form and scale of development with compact lot, building, and unit density, building heights, and complete streets.

(B) Benefits. In addition to the benefits of Steps One and Two, a municipality that reaches Step Three is eligible for the following benefits:

(i) Funding for the local downtown organization and technical assistance from the Vermont Downtown Program for the center.

(ii) A reallocation of receipts related to the tax imposed on sales of construction materials as provided in 32 V.S.A. § 9819.

(iii) Eligibility to receive National Main Street Accreditation from Main Street America through the Vermont Downtown Program.

(iv) Signage options pursuant to 10 V.S.A. § 494(13) and (17).

(v) Housing appeal limitations as described in chapter 117 of this title.

(vi) Highest priority for locating proposed State functions by the Commissioner of Buildings and General Services or other State officials, in consultation with the municipality, Department, State Board, the General Assembly committees of jurisdiction for the Capital Budget, and the regional planning commission. When a downtown location is not suitable, the Commissioner shall issue written findings to the consulted parties demonstrating how the suitability of the State function to a downtown location is not feasible.

(vii) Funding for infrastructure project scoping, design, and engineering, including participation in the Downtown Transportation and

Related Capital Improvement Fund Program established by section 5808 of this title.

§ 5804. DESIGNATED NEIGHBORHOOD

(a) Designation established.

(1) A regional planning commission may request approval from the LURB for designation of areas on the regional plan future land use maps as a designated neighborhood under 10 V.S.A. § 6033. Areas eligible for designation include planned growth areas and village areas identified on the regional plan future land use map. This designation recognizes that the vitality of downtowns and villages is supported by adjacent and walkable neighborhoods and that the benefits structure must ensure that investments for sprawl repair or infill development within a neighborhood is secondary to a primary purpose to maintain the vitality and livability and maximize the climate resilience and infill potential of centers.

(2) Approval of planned growth areas and village areas as designated neighborhoods shall follow the same process as approval for designated centers provided for in 10 V.S.A. § 6033 and consistent with sections 4348 and 4348a of this title.

(b) Transition. All designated growth center or neighborhood development areas existing as of December 31, 2025 will retain current benefits until December 31, 2026 or upon approval of the regional plan future land use

maps, whichever comes first. All existing neighborhood development area and growth center designations in effect on December 31, 2025 will expire on December 31, 2026 if the regional plan future land use map is not approved. All benefits that are removed for unexpired neighborhood development areas and growth centers under this chapter shall remain active with prior designations existing as of December 31, 2025 until December 31, 2034. Prior to December 31, 2026, no check-ins or renewal shall be required for the existing designations. New applications for neighborhood development area designations may be approved by the State Board prior to the first hearing for a regional plan adoption or until December 31, 2025, whichever comes first.

(c) Requirements. A designated neighborhood shall meet the requirements for planned growth area or village area as described in section 4348a of this title.

(d) Benefits. A designated neighborhood is eligible for the following benefits:

(1) funding priority for bylaws and special-purpose plans, capital plans, and area improvement or reinvestment plans, including priority consideration for the Better Connections Program and other applicable programs identified by Department guidance;

(2) funding priority for Better Connections and other infrastructure project scoping, design, engineering, and construction by the State Community Investment Program and Board;

(3) eligibility for the Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq.;

(4) priority consideration for State and federal affordable housing funding;

(5) certain housing appeal limitations under chapter 117 of this title;

(6) authority for the municipal legislative body to lower speed limits to less than 25 mph within the neighborhood;

(7) State wastewater application fee capped at \$50.00 for residential development under 3 V.S.A. § 2822(j)(4)(D);

(8) exclusion from the land gains tax provided by 32 V.S.A. § 10002(p);  
and

(9) the authority to create a special taxing district pursuant to chapter 87 of this title for the purpose of financing both capital and operating costs of a project within the boundaries of a neighborhood.

§ 5805. GRANTS AND GIFTS

The Department of Housing and Community Development may accept funds, grants, gifts, or donations of up to \$10,000.00 from individuals, corporations, foundations, governmental entities, or other sources, on behalf

of the Community Planning and Revitalization Division to support trainings, conferences, special projects, and initiatives.

§ 5806. DESIGNATION DATA CENTER

The Department, in coordination with the LURB, shall maintain an online municipal planning data center publishing approved regional plan future land use maps adoptions and amendments and indicating the status of each approved designation within the region, and associated steps for centers.

§ 5807. BETTER PLACES PROGRAM; CROWD GRANTING

(a)(1) There is created the Better Places Program within the Department of Housing and Community Development, and the Better Places Fund, which the Department shall manage pursuant to 32 V.S.A. chapter 7, subchapter 5. This shall be the same Fund created under the prior section 2799 of this title.

(2) The purpose of the Program is to utilize crowdfunding to spark community revitalization through collaborative grantmaking for projects that create, activate, or revitalize public spaces.

(3) The Department may administer the Program in coordination with and support from other State agencies and nonprofit and philanthropic partners.

(b) The Fund is composed of the following:

(1) State or federal funds appropriated by the General Assembly;

(2) gifts, grants, or other contributions to the Fund; and

(3) any interest earned by the Fund.

(c) As used in this section, “public space” means an area or place that is open and accessible to all persons with no charge for admission and includes village greens, squares, parks, community centers, town halls, libraries, and other publicly accessible buildings and connecting spaces such as sidewalks, streets, alleys, and trails.

(d)(1) The Department of Housing and Community Development shall establish an application process, eligibility criteria, and criteria for prioritizing assistance for awarding grants through the Program.

(2) The Department may award a grant to a municipality, a nonprofit organization, or a community group with a fiscal sponsor for a project that is located in or serves an area designated under this chapter that will create a new public space or revitalize or activate an existing public space.

(3) The Department may award a grant to not more than three projects per calendar year within a municipality.

(4) The minimum amount of a grant award is \$5,000.00, and the maximum amount of a grant award is \$40,000.00.

(5) The Department shall develop matching grant eligibility requirements to ensure a broad base of community and financial support for the project, subject to the following:



(A) A project shall include in-kind support and matching funds raised through a crowdfunding approach that includes multiple donors.

(B) An applicant may not donate to its own crowdfunding campaign.

(C) A donor may not contribute more than \$10,000.00 or 35 percent of the campaign goal, whichever is less.

(D) An applicant shall provide matching funds raised through crowdfunding of not less than 33 percent of the grant award. The Department may require a higher percent of matching funds for certain project areas to ensure equitable distribution of resources across Vermont.

(e) The Department of Housing and Community Development, with the assistance of a fiscal agent, shall distribute funds under this section in a manner that provides funding for projects of various sizes in as many geographical areas of the State as possible.

(f) The Department of Housing and Community Development may use up to 15 percent of any appropriation to the Fund from the General Fund to assist with crowdfunding, administration, training, and technological needs of the Program.

*Sec. 67. MUNICIPAL TECHNICAL ASSISTANCE REPORT*

(a) On or before December 31, 2025, the Commissioner of Housing and Community Development shall develop recommendations for providing coordinated State agency technical assistance to municipalities participating

in the programs under 24 V.S.A. chapter 139 to the Senate Committee on Natural Resources and Energy and the House Committee on Environment and Energy.

(b) The recommendations shall address effective procedures for interagency coordination to support municipal community investment, revitalization, and development including coordination for:

- (1) general project advising;
- (2) physical improvement planning design;
- (3) policy making; and
- (4) project management.

(c) The recommendations shall support the implementation of State agency plans and the following strategic priorities for municipal and community investment, revitalization, and development assistance:

- (1) housing development growth;
- (2) climate resilience;
- (3) public infrastructure investment;
- (4) local administrative capacity;
- (5) equity, diversity, and access;
- (6) livability and social service; and
- (7) historic preservation.

*\* \* \* Tax Credits \* \* \**

~~Sec. 68. 32 V.S.A. § 5930aa is amended to read:~~

~~§ 5930aa. DEFINITIONS~~

~~As used in this subchapter:~~

~~\* \* \*~~

~~(2) “Qualified building” means a building built at least 30 years before the date of application, located within a designated ~~downtown, village center, or neighborhood development area~~ center or neighborhood, which, upon completion of the project supported by the tax credit, will be an income-producing building not used solely as a single-family residence. Churches and other buildings owned by a religious organization may be qualified buildings, but in no event shall tax credits be used for religious worship.~~

~~(3) “Qualified code improvement project” means a project:~~

~~(A) to install or improve platform lifts suitable for transporting personal mobility devices, limited use or limited application elevators, elevators, sprinkler systems, and capital improvements in a qualified building, and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the Department of Public Safety;~~

~~(B) to abate lead paint conditions or other substances hazardous to human health or safety in a qualified building; or~~

~~(C) to redevelop a contaminated property in a designated downtown, village center, or neighborhood development area center or neighborhood under a plan approved by the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.~~

~~\*\*\*~~

~~(5) “Qualified façade improvement project” means the rehabilitation of the façade of a qualified building that contributes to the integrity of the designated downtown, designated village center, or neighborhood development area center or neighborhood. Façade improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places must be consistent with the Secretary of the Interior Standards, as determined by the Vermont Division for Historic Preservation.~~

~~\*\*\*~~

~~(9) “State Board” means the Vermont Downtown Development Community Investment Board established pursuant to 24 V.S.A. chapter 76A 122.~~

Sec. 68. [Deleted.]

*Sec. 69. 32 V.S.A. § 5930aa(6) is amended to read:*

*(6) “Qualified Flood Mitigation Project” means any combination of structural and nonstructural changes to a qualified building located within the flood hazard area as mapped by the Federal Emergency Management Agency that reduces or eliminates flood damage to the building or its contents. This may include relocation of HVAC, electrical, plumbing, and other building systems, and equipment above the flood level; repairs or reinforcement of foundation walls, including flood gates; or elevation of an entire eligible building above the flood level. Further eligible projects may be defined via program guidance. The project shall comply with the municipality’s adopted flood hazard bylaw, if applicable, and a certificate of completion shall be submitted by a registered engineer, architect, qualified contractor, or qualified local official to ~~the State Board~~ program staff. Improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places shall be consistent with Secretary of the Interior’s Standards for Rehabilitation, as determined by the Vermont Division for Historic Preservation.*

*Sec. 70. 32 V.S.A. § 5930bb is amended to read:*

*§ 5930bb. ELIGIBILITY AND ADMINISTRATION*

*(a) Qualified applicants may apply to the State Board to obtain the tax credits provided by this subchapter for a qualified project at any time before the completion of the qualified project.*

*(b) To qualify for any of the tax credits under this subchapter, expenditures for the qualified project must exceed \$5,000.00.*

*(c) Application shall be made in accordance with the guidelines set by the State Board.*

*~~(d) Notwithstanding any other provision of this subchapter, qualified applicants may apply to the State Board at any time prior to June 30, 2013, to obtain a tax credit not otherwise available under subsections 5930cc(a)-(c) of this title of 10 percent of qualified expenditures resulting from damage caused by a federally declared disaster in Vermont in 2011. The credit shall only be claimed against the taxpayer's State individual income tax under section 5822 of this title. To the extent that any allocated tax credit exceeds the taxpayer's tax liability for the first tax year in which the qualified project is completed, the taxpayer shall receive a refund equal to the unused portion of the tax credit. If within two years after the date of the credit allocation no claim for a tax credit or refund has been filed, the tax credit allocation shall be rescinded and recaptured pursuant to subdivision 5930ee(6) of this title. The total~~*

~~amount of tax credits available under this subsection shall not be more than \$500,000.00 and shall not be subject to the limitations contained in subdivision 5930ee(2) of this subchapter:~~

~~(e) Beginning on July 1, 2025, under this subchapter no new tax credit may be allocated by the State Board to a qualified building located in a neighborhood development area unless specific funds have been appropriated for that purpose.~~

~~Sec. 71. 32 V.S.A. § 5930cc is amended to read:~~

~~§ 5930cc. DOWNTOWN AND VILLAGE CENTER PROGRAM TAX~~

~~CREDITS~~

~~\* \* \*~~

~~(c) Code improvement tax credit. The qualified applicant of a qualified code improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$12,000.00 for installation or improvement of a platform lift, a maximum credit of \$60,000.00 for the installation or improvement of a limited use or limited application elevator; a maximum tax credit of \$75,000.00 for installation or improvement of an elevator; a maximum tax credit of \$50,000.00 for installation or improvement of a sprinkler system, and a~~

*maximum tax credit of \$50,000.00 \$100,000.00 for the combined costs of all other qualified code improvements.*

*(d) Flood Mitigation Tax Credit. The qualified applicant of a qualified flood mitigation project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$75,000.00 \$100,000.00.*

*Sec. 72. [Deleted.]*

~~*Sec. 73. 32 V.S.A. § 9602 is amended to read:*~~

~~*§ 9602. TAX ON TRANSFER OF TITLE TO PROPERTY*~~

~~*A tax is hereby imposed upon the transfer by deed of title to property located in this State, or a transfer or acquisition of a controlling interest in any person with title to property in this State. The amount of the tax equals one and one-quarter percent of the value of the property transferred, or \$1.00, whichever is greater, except as follows:*~~

~~*(1) With respect to the transfer of property to be used for the principal residence of the transferee, the tax shall be imposed at the rate of five-tenths of one percent of the first \$100,000.00 in value of the property transferred and at the rate of one and one-quarter percent of the value of the property transferred in excess of \$100,000.00; except that no tax shall be imposed on the first*~~



~~\$110,000.00 \$150,000.00 in value of the property transferred if the purchaser obtains a purchase money mortgage funded in part with a homeland grant through the Vermont Housing and Conservation Trust Fund or that the Vermont Housing and Finance Agency or U.S. Department of Agriculture and Rural Development has committed to make or purchase; and tax at the rate of one and one-quarter percent shall be imposed on the value of that property in excess of \$110,000.00 \$150,000.00.~~

~~\*\*\*~~

~~(4) Tax shall be imposed at the rate of two and one-half percent of the value of the property transferred with respect to transfers of:~~

~~(A) residential property that is fit for habitation on a year-round basis;~~

~~(B) will not be used as the principal residence of the transferee; and~~

~~(C) for which the transferee will not be required to provide a landlord certificate pursuant to section 6069 of this title..~~

~~Sec. 74. ALLOCATIONS; PROPERTY TRANSFER TAX~~

~~Notwithstanding 10 V.S.A. § 312, 24 V.S.A. § 4306(a), 32 V.S.A. § 9610(c), or any other provision of law to the contrary, amounts in excess of \$32,954,775.00 from the property transfer tax shall be transferred into the General Fund. Of this amount,~~

~~(1) \$5,113,510.00 shall be transferred from the General Fund into the Vermont Housing and Conservation Trust Fund.~~

~~(2) \$1,279,740.00 shall be transferred from the General Fund into the Municipal and Regional Planning Fund.~~

~~Sec. 75. [Deleted.]~~

~~Sec. 76. [Deleted.]~~

~~Sec. 77. 32 V.S.A. § 9610 is amended to read:~~

~~§ 9610. REMITTANCE OF RETURN AND TAX; INSPECTION OF  
RETURNS~~

~~\* \* \*~~

~~(c) Prior to distributions of property transfer tax revenues under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), and subdivision 435(b)(10) of this title, two percent of the revenues received from the property transfer tax shall be deposited in a special fund in the Department of Taxes for Property Valuation and Review administration costs.~~

~~(d)(1) Prior to any distribution of property transfer tax revenue under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and ~~subsection~~ subsections (c) and (e) of this section, \$2,500,000.00 of the revenue received from the property transfer tax shall be transferred to the Vermont Housing Finance Agency to pay the principal of and interest due on the bonds, notes, and other obligations authorized to be issued by the Agency pursuant to~~

~~10 V.S.A. § 621(22), the proceeds of which the Vermont Housing and Conservation Board shall use to create affordable housing pursuant to 10 V.S.A. § 314.~~

~~(2) As long as the bonds, notes, and other obligations incurred pursuant to subdivision (1) of this subsection remain outstanding, the rate of tax imposed pursuant to section 9602 of this title shall not be reduced below a rate estimated, at the time of any reduction, to generate annual revenues of at least \$12,000,000.00.~~

~~(e) Prior to any distribution of property transfer tax revenue under 10 V.S.A. § 312, 24 V.S.A. § 4306(c), subdivision 435(b)(10) of this title, and subsection (c) of this section, \$900,000.00 of the revenue received from the property transfer tax shall be transferred to the Act 250 Permit Fund established under 10 V.S.A. § 6029. Prior to a transfer under this subsection, the Commissioner shall adjust the amount transferred according to the percent change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) by determining the increase or decrease, to the nearest one-tenth of a percent, for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the transfer will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the transfer will be made.~~

~~Sec. 78. 10 V.S.A. § 6029 is amended to read:~~

~~§ 6029. ACT 250 PERMIT FUND~~

~~There is hereby established a special fund to be known as the Act 250 Permit Fund for the purposes of implementing the provisions of this chapter. Revenues to the fund The Fund shall be composed of the revenue deposited pursuant to 32 V.S.A. § 9610(e), those fees collected in accordance with section 6083a of this title, gifts, appropriations, and copying and distribution fees. The Board shall be responsible for the Fund and shall account for revenues and expenditures of the Board. At the Commissioner's discretion, the Commissioner of Finance and Management may anticipate amounts to be collected and may issue warrants based thereon for the purposes of this section. Disbursements from the Fund shall be made through the annual appropriations process to the Board and to the Agency of Natural Resources to support those programs within the Agency that directly or indirectly assist in the review of Act 250 applications. This Fund shall be administered as provided in 32 V.S.A. chapter 7, subchapter 5.~~

~~Sec. 73. 32 V.S.A. § 9602 is amended to read:~~

~~§ 9602. TAX ON TRANSFER OF TITLE TO PROPERTY~~

~~(a) A tax is hereby imposed upon the transfer by deed of title to property located in this State, or a transfer or acquisition of a controlling interest in any person with title to property in this State. The amount of the tax equals one~~

~~and one-quarter 1.25 percent of the value of the property transferred up to \$750,000.00 of value and 3.65 percent of the value of the property transferred in excess of \$750,000.00, or \$1.00, whichever is greater, except as follows:~~

~~(1) With respect to the transfer of property to be used for the principal residence of the transferee, the tax shall be imposed at the rate of five-tenths of one 0.5 percent of the first \$100,000.00 \$200,000.00 in value of the property transferred and at the rate of one-and-one-quarter 1.25 percent of the value of the property transferred in excess of \$100,000.00 \$200,000.00; except that no tax shall be imposed on the first \$110,000.00 \$250,000.00 in value of the property transferred if the purchaser obtains a purchase money mortgage funded in part with a homeland grant through the Vermont Housing and Conservation Trust Fund or that the Vermont Housing and Finance Agency or U.S. Department of Agriculture and Rural Development has committed to make or purchase; and tax at the rate of one-and-one-quarter 1.25 percent shall be imposed on the value of that property in excess of \$110,000.00 \$250,000.00. In all cases, the tax shall be imposed at the rate of 3.65 percent of the value of the property transferred in excess of \$750,000.00.~~

~~(2) [Repealed.]~~

~~(3) With respect to the transfer to a housing cooperative organized under 11 V.S.A. chapter 7 and whose sole purpose is to provide principal residences for all of its members or shareholders, or to an affordable housing~~

~~cooperative under 11 V.S.A. chapter 14, of property to be used as the principal residence of a member or shareholder; the tax shall be imposed in the amount of five-tenths of one 0.5 percent of the first \$100,000.00 \$200,000.00 in value of the residence transferred and at the rate of one and one-quarter 1.25 percent of the value of the residence transferred in excess of \$100,000.00 \$200,000.00; provided that the homesite leased by the cooperative is used exclusively as the principal residence of a member or shareholder. If the transferee ceases to be an eligible cooperative at any time during the six years following the date of transfer, the transferee shall then become obligated to pay any reduction in property transfer tax provided under this subdivision, and the obligation to pay the additional tax shall also run with the land. In all cases, the tax shall be imposed at the rate of 3.65 percent of the value of the property transferred in excess of \$750,000.00.~~

~~(b) Each year on August 1, the Commissioner shall adjust the values taxed at a lower rate under subdivisions (a)(1) and (3) of this section according to the percent change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) by determining the increase or decrease, to the nearest 0.1 percent, for the month ending on June 30 in the calendar year one year prior to the first day of the current fiscal year compared to the CPI-U for the month ending on June 30 in the calendar year two years prior. The~~

~~Commission shall update the return required under section 9610 of this title according to this adjustment.~~

*Sec. 73. 32 V.S.A. § 9602 is amended to read:*

*§ 9602. TAX ON TRANSFER OF TITLE TO PROPERTY*

*A tax is hereby imposed upon the transfer by deed of title to property located in this State, or a transfer or acquisition of a controlling interest in any person with title to property in this State. The amount of the tax equals one and one-quarter percent of the value of the property transferred, or \$1.00, whichever is greater, except as follows:*

*(1) With respect to the transfer of property to be used for the principal residence of the transferee, the tax shall be imposed at the rate of five-tenths of one percent of the first ~~\$100,000.00~~ \$200,000.00 in value of the property transferred and at the rate of one and one-quarter percent of the value of the property transferred in excess of ~~\$100,000.00~~ \$200,000.00; except that no tax shall be imposed on the first ~~\$10,000.00~~ \$250,000.00 in value of the property transferred if the purchaser obtains a purchase money mortgage funded in part with a homeland grant through the Vermont Housing and Conservation Trust Fund or that the Vermont Housing and Finance Agency or U.S. Department of Agriculture and Rural Development has committed to make or purchase; and tax at the rate of one and one-quarter percent shall be imposed on the value of that property in excess of ~~\$10,000.00~~ \$250,000.00.*

*(2) [Repealed.]*

*(3) With respect to the transfer to a housing cooperative organized under 11 V.S.A. chapter 7 and whose sole purpose is to provide principal residences for all of its members or shareholders, or to an affordable housing cooperative under 11 V.S.A. chapter 14, of property to be used as the principal residence of a member or shareholder, the tax shall be imposed in the amount of ~~five-tenths of one~~ 0.5 percent of the first ~~\$100,000.00~~ \$200,000.00 in value of the residence transferred and at the rate of ~~one and one-quarter~~ 1.25 percent of the value of the residence transferred in excess of ~~\$100,000.00~~ \$200,000.00; provided that the homesite leased by the cooperative is used exclusively as the principal residence of a member or shareholder. If the transferee ceases to be an eligible cooperative at any time during the six years following the date of transfer, the transferee shall then become obligated to pay any reduction in property transfer tax provided under this subdivision, and the obligation to pay the additional tax shall also run with the land.*

*(4) Tax shall be imposed at the rate of 3.4 percent of the value of the property transferred with respect to transfers of:*

*(A) residential property that is fit for habitation on a year-round basis;*

*(B) will not be used as the principal residence of the transferee; and*



(C) for which the transferee will not be required to provide a landlord certificate pursuant to section 6069 of this title.

Sec. 74. 32 V.S.A. § 9602a is amended to read:

§ 9602a. CLEAN WATER SURCHARGE

There shall be a surcharge of ~~0.2~~ 0.22 percent on the value of property subject to the property transfer tax under section 9602 of this title, except that there shall be no surcharge on the first ~~\$100,000.00~~ \$200,000.00 in value of property to be used for the principal residence of the transferee or the first ~~\$200,000.00~~ \$250,000.00 in value of property transferred if the purchaser obtains a purchase money mortgage funded in part with a homeland grant through the Vermont Housing and Conservation Trust Fund or that the Vermont Housing and Finance Agency or U.S. Department of Agriculture and Rural Development has committed to make or purchase. The surcharge shall be in addition to any tax assessed under section 9602 of this title. The surcharge assessed under this section shall be paid, collected, and enforced under this chapter in the same manner as the tax assessed under section 9602 of this title. The Commissioner shall deposit the surcharge collected under this section in the Clean Water Fund under 10 V.S.A. § 1388, except for the first \$1,000,000.00 of revenue generated by the surcharge, which shall be deposited in the Vermont Housing and Conservation Trust Fund created in 10 V.S.A. § 312.

*Sec. 75. 2017 Acts and Resolves No. 85, Sec. I.10 is amended to read:*

*Sec. I.10 32 V.S.A. § 9602a is amended to read:*

*§ 9602a. CLEAN WATER SURCHARGE*

*There shall be a surcharge of ~~0.2~~ 0.04 percent on the value of property subject to the property transfer tax under section 9602 of this title, except that there shall be no surcharge on the first ~~\$100,000.00~~ \$200,000.00 in value of property to be used for the principal residence of the transferee or the first ~~\$200,000.00~~ \$250,000.00 in value of property transferred if the purchaser obtains a purchase money mortgage funded in part with a homeland grant through the Vermont Housing and Conservation Trust Fund or which the Vermont Housing and Finance Agency or U.S. Department of Agriculture and Rural Development has committed to make or purchase. The surcharge shall be in addition to any tax assessed under section 9602 of this title. The surcharge assessed under this section shall be paid, collected, and enforced under this chapter in the same manner as the tax assessed under section 9602 of this title. The Commissioner shall deposit the surcharge collected under this section ~~in the Clean Water Fund under 10 V.S.A. § 1388, except for the first \$1,000,000.00 of revenue generated by the surcharge, which shall be deposited in the Vermont Housing and Conservation Trust Fund created in 10 V.S.A. § 312.~~*

*Sec. 75a. 32 V.S.A. § 9610(c) is amended to read:*

*(c) Prior to distributions of property transfer tax revenues under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), and subdivision 435(b)(10) of this title, ~~two~~ 1.5 percent of the revenues received from the property transfer tax shall be deposited in a special fund in the Department of Taxes for Property Valuation and Review administration costs.*

*Sec. 76. 24 V.S.A. § 4306(a) is amended to read:*

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

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

*\* \* \**

*Sec. 77. 32 V.S.A. § 435(b) is amended to read:*

*(b) The General Fund shall be composed of revenues from the following sources:*

*(1) alcoholic beverage tax levied pursuant to 7 V.S.A. chapter 15;*

*(2) [Repealed.]*

*(3) [Repealed.]*

*(4) corporate income and franchise taxes levied pursuant to chapter 151 of this title;*

*(5) individual income taxes levied pursuant to chapter 151 of this title;*

*(6) all corporation taxes levied pursuant to chapter 211 of this title;*

*(7) 69 percent of the meals and rooms taxes levied pursuant to chapter 225 of this title;*

*(8) [Repealed.]*

*(9) [Repealed.]*

*(10) ~~33~~ 37 percent of the revenue from the property transfer taxes levied pursuant to chapter 231 of this title and the revenue from the gains taxes levied each year pursuant to chapter 236 of this title; and*

*(11) [Repealed.]*

*(12) all other revenues accruing to the State not otherwise required by law to be deposited in any other designated fund or used for any other designated purpose.*

~~Sec. 78. TRANSFERS; PROPERTY TRANSFER TAX~~

~~*Notwithstanding 10 V.S.A. § 512, 24 V.S.A. § 4306(a), 32 V.S.A. § 9610(c), or any other provision of law to the contrary, amounts in excess of*~~

~~§ 77. \$32,954,775.00 from the property transfer tax shall be transferred into the General Fund. Of this amount:~~

~~(1) \$6,106,310.00 shall be transferred from the General Fund into the Vermont Housing and Conservation Trust Fund.~~

~~(2) \$1,279,740.00 shall be transferred from the General Fund into the Municipal and Regional Planning Fund.~~

*Sec. 78. TRANSFERS; PROPERTY TRANSFER TAX*

Notwithstanding 10 V.S.A. § 312, 24 V.S.A. § 4306(a), 32 V.S.A. § 9610(c), or any other provision of law to the contrary, amounts in excess of \$32,954,775.00 from the property transfer tax shall be transferred into the General Fund. Of this amount:

(1) \$6,106,335.00 shall be transferred from the General Fund into the Vermont Housing and Conservation Trust Fund.

(2) \$1,279,740.00 shall be transferred from the General Fund into the Municipal and Regional Planning Fund.

~~§ 79. 32 V.S.A. § 2800(q) is added to read:~~

~~(q) The statutory purpose of the exemption under 32 V.S.A. chapter 125, subchapter 3 for new construction or rehabilitation is to lower the cost of new construction or rehabilitation of residential properties in flood-impacted communities.~~

~~See 80-32 V.S.A. chapter 125, subchapter 3 is added to read:~~

~~Subchapter 3. New Construction or Rehabilitation in Flood-Impacted  
Communities~~

~~§ 3870. DEFINITIONS~~

~~As used in this subchapter:~~

~~(1) “Agency” means the Agency of Commerce and Community  
Development as established under 3 V.S.A. § 2402.~~

~~(2) “Appraisal value” has the same meaning as in subdivision  
3481(1)(A) of this title.~~

~~(3) “Exemption period” has the same meaning as in subsection 3871(d)  
of this subchapter.~~

~~(4) “New construction” means the building of new dwellings.~~

~~(5) “Principal residence” means the dwelling occupied by a resident  
individual as the individual’s domicile during the taxable year and for a  
property owner, owned, or for a renter, rented under a rental agreement other  
than a short-term rental as defined under 18 V.S.A. § 4301(a)(14).~~

~~(6)(A) “Qualifying improvement” means new construction or a physical  
change to an existing dwelling or other structure beyond normal and ordinary  
maintenance, painting, repairs, or replacements, provided the change.~~

~~(i) results in new or rehabilitated dwellings that are designed to be occupied as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14); and~~

~~(ii) occurred through new construction or rehabilitation, or both, during the 12 months immediately preceding or immediately following submission of an exemption application under this subchapter.~~

~~(B) "Qualifying improvement" does not mean new construction or a physical change to any portion of a mixed-use building as defined under 10 V.S.A. § 6001(28) that is not used as a principal residence.~~

~~(7)(A) "Qualifying property" means a parcel with a structure that is:~~

~~(i) located within, or within one half of a mile of, a designated downtown district, village center, or neighborhood development area determined pursuant to 24 V.S.A. chapter 76A or a new market tax credit area determined pursuant to 26 U.S.C. § 45D, or both;~~

~~(ii) composed of one or more dwellings designed to be occupied as principal residences, provided:~~

~~(I) none of the dwellings shall be occupied as short-term rentals as defined under 18 V.S.A. § 4301(a)(14) before the exemption period ends; and~~

~~(II) a structure with more than one dwelling shall only qualify if it meets the definition of mixed-income housing under 10 V.S.A. § 6001(27),~~

~~(iii) undergoing, has undergone, or will undergo qualifying improvements;~~

~~(iv) in compliance with all relevant permitting requirements; and~~

~~(v) located in an area that was declared a federal disaster between July 1, 2023 and October 15, 2023 that was eligible for Individual Assistance from the Federal Emergency Management Agency or located in Addison or Franklin county.~~

~~(B) “Qualifying property” may have a mixed use as defined under 10 V.S.A. § 6001(28).~~

~~(C) “Qualifying property” includes property located outside a tax increment financing district established under 24 V.S.A. chapter 53, subchapter 5. By vote of the legislative body, a municipality with a tax increment financing district, or a municipality applying for a tax increment financing district, may elect to deem properties within a tax increment financing district as “qualifying property” under this subdivision (C), provided, notwithstanding 24 V.S.A. § 1896, an increase in the appraisal value of a qualifying property due to qualifying improvements shall be excluded from the total assessed valuation used to determine the district’s tax increment under 24 V.S.A. § 1896 during the exemption period.~~

~~(i) For a municipality that elects to consider properties within an existing tax increment financing district under this subdivision (C) as~~



~~“qualifying property,” the municipality shall submit a substantial change request and file an alternate financial plan to the Vermont Economic Progress Council, which shall detail the effect of this action for approval by the Council.~~

~~(ii) For a municipality that elects to consider properties within a tax increment financing district under this subdivision (C) as “qualifying property” at the time of creation of a new district, prior to implementation of an exemption under this chapter, the municipality shall present a financial plan to the Vermont Economic Progress Council, which shall detail the impact of the action on approval by the Council.~~

~~(8) “Rehabilitation” means extensive repair, reconstruction, or renovation of an existing dwelling or other structure, with or without demolition, new construction, or enlargement, provided the repair, reconstruction, or renovation:~~

~~(A) is for the purpose of eliminating substandard structural, housing, or unsanitary conditions or stopping significant deterioration of the existing structure; and~~

~~(B) equals or exceeds a total cost of 15 percent of the grand list value prior to repair, reconstruction, or renovation or \$75,000.00, whichever is less.~~

~~(9) “Taxable value” means the value of qualifying property that is taxed during the exemption period.~~

§ 2871. EXEMPTION.

*(a) Value increase exemption. An increase in the appraisal value of a qualifying property due to qualifying improvements shall be exempted from property taxation pursuant to this subchapter by fixing and maintaining the taxable value of the qualifying property at the property's grand list value in the year immediately preceding any qualifying improvements. A decrease in appraisal value of a qualifying property due to damage or destruction from fire or act of nature may reduce the qualifying property's taxable value below the value fixed under this subsection.*

*(b) State education property tax exemption. The appraisal value of qualifying improvements to qualifying property shall be exempt from the State education property tax imposed under chapter 135 of this title as provided under this subchapter. The appraisal value exempt under this subsection shall not be exempt from municipal property taxation unless the qualifying property is located in a municipality that has voted to approve an exemption under subsection (c) of this section.*

*(c) Municipal property tax exemption. If the legislative body of a municipality by a majority vote recommends, the voters of a municipality may, at an annual or special meeting warned for that purpose, adopt by a majority vote of those present and voting an exemption from municipal property tax for the value of qualifying improvements to qualifying property exempt from State*

~~property taxation under subsection (b) of this section. The municipal exemption shall remain in effect until rescinded in the same manner the exemption was adopted. Not later than 30 days after the adjournment of a meeting at which a municipal exemption is adopted or rescinded under this subsection, the town clerk shall report to the Director of Property Valuation and Review and the Agency the date on which the exemption was adopted or rescinded.~~

~~(d) Exemption period.~~

~~(1) An exemption under this subchapter shall start in the first property tax year immediately following the year in which an application for exemption under section 3872 of this title is approved and one of the following occurs:~~

~~(A) issuance of a certificate of occupancy by the municipal governing body for the qualifying property; or~~

~~(B) the property owner's declaration of ownership of the qualifying property as a homestead pursuant to section 5410 of this title.~~

~~(2) An exemption under this subchapter shall remain in effect for three years, provided the property continues to comply with the requirements of this subchapter. When the exemption period ends, the property shall be taxed at its most recently appraised grand list value.~~

~~(3) The municipal exemption period for a qualifying property shall start and end at the same time as the State exemption period, provided that, if a~~

~~*municipality first votes to approve a municipal exemption after the State exemption period has already started for a qualifying property, the municipal exemption shall only apply after the vote and notice requirements have been met under subsection (c) of this section and shall only continue until the State exemption period ends.*~~

~~*§ 3872. ADMINISTRATION AND CERTIFICATION*~~

~~*(a) To be eligible for exemption under this subchapter, a property owner shall:*~~

~~*(1) submit an application to the Agency of Commerce and Community Development in the form and manner determined by the Agency, including certification by the property owner that the property and improvements qualify for exemption at the time of application and annually thereafter until the exemption period ends; and*~~

~~*(2) the certification shall include an attestation under the pains and penalties of perjury that the property will be used in the manner provided under this subchapter during the exemption period, including occupancy of dwellings as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14), and that the property owner will either provide alternative housing for tenants at the same rent or that the property has been unoccupied either by a tenant's choice or for 60 days prior to the application.*~~

~~*A certification by the property owner granted under this subdivision shall.*~~

~~(A) be coextensive with the exemption period;~~

~~(B) require notice to the Agency of the transfer or assignment of the property prior to transfer, which shall include the transferee's or assignee's full names, phone numbers, and e-mail and mailing addresses;~~

~~(C) require notice to any prospective transferees or assignees of the property of the requirements of the exemption under this subchapter; and~~

~~(D) require a new certification to be signed by the transferees or assignees of the property.~~

~~(b) The Agency shall establish and make available application forms and procedures necessary to verify initial and ongoing eligibility for exemption under this subchapter. Not later than 60 days after receipt of a completed application, the Agency shall determine whether the property and any proposed improvements qualify for exemption and shall issue a written decision approving or denying the exemption. The Agency shall notify the property owner, the municipality where the property is located, and the Commissioner of Taxes of its decision.~~

~~(c) If the property owner fails to use the property according to the terms of the certification, the Agency shall, after notifying the property owner, determine whether to revoke the exemption. If the exemption is revoked, the Agency shall notify the property owner, the municipality where the property is~~

~~located, and the Commissioner of Taxes. Upon notification of revocation, the  
Commissioner shall assess to the property owner:~~

~~(1) all State and municipal property taxes as though no exemption had  
been approved, including for any exemption period that had already begun;  
and~~

~~(2) interest pursuant to section 3202 of this title on previously exempt  
taxes.~~

~~(d) No new applications for exemption shall be approved pursuant to this  
subchapter after December 31, 2027.~~

Sec. 81. 32 V.S.A. § 4152(a) is amended to read:

(a) When completed, the grand list of a town shall be in such form as the  
Director prescribes and shall contain such information as the Director  
prescribes, including:

\* \* \*

(6) For those parcels that are exempt, the insurance replacement value  
reported to the local assessing officials by the owner under section 3802a of  
this title or what the full listed value of the property would be absent the  
exemption and the statutory authority for granting such exemption and, for  
properties exempt pursuant to a vote, the year in which the exemption became  
effective and the year in which the exemption ends; provided that, for parcels  
exempt under chapter 125, subchapter 2 of this title, the insurance replacement

~~value shall not be substituted for the full listed value of the property absent the exemption and the grand list shall indicate whether the exemption applies to the State property tax or both the State and municipal property taxes.~~

~~\*\*\*~~

~~Sec. 82. REPEALS; NEW CONSTRUCTION OR REHABILITATION  
EXEMPTION~~

~~The following are repealed on July 1, 2037:~~

~~(1) 32 V.S.A. § 3800(g) (statutory purpose); and~~

~~(2) 32 V.S.A. chapter 125, subchapter 3 (new construction or rehabilitation exemption).~~

~~Sec. 83. 32 V.S.A. § 4152(a) is amended to read:~~

~~(a) When completed, the grand list of a town shall be in such form as the Director prescribes and shall contain such information as the Director prescribes, including:~~

~~\*\*\*~~

~~(6) For those parcels that are exempt, the insurance replacement value reported to the local assessing officials by the owner under section 3802a of this title or what the full listed value of the property would be absent the exemption and the statutory authority for granting such exemption and, for properties exempt pursuant to a vote, the year in which the exemption became effective and the year in which the exemption ends, provided that, for parcels~~

~~exempt under chapter 125, subchapter 3 of this title, the insurance replacement value shall not be substituted for the full listed value of the property absent the exemption and the grand list shall indicate whether the exemption applies to the State property tax or both the State and municipal property taxes.~~

~~Sec. 79. [Deleted.]~~

~~Sec. 80. [Deleted.]~~

~~Sec. 81. [Deleted.]~~

~~Sec. 82. [Deleted.]~~

~~Sec. 83. [Deleted.]~~

Sec. 79. 32 V.S.A. § 3800(q) is added to read:

(q) The statutory purpose of the exemption under 32 V.S.A. chapter 125, subchapter 3 for new construction or rehabilitation is to lower the cost of new construction or rehabilitation of residential properties in flood-impacted communities.

Sec. 80. 32 V.S.A. chapter 125, subchapter 3 is added to read:

Subchapter 3. New Construction or Rehabilitation in Flood-Impacted  
Communities

§ 3870. DEFINITIONS

As used in this subchapter:

(1) “Agency” means the Agency of Commerce and Community Development as established under 3 V.S.A. § 2402.



(2) “Appraisal value” has the same meaning as in subdivision 3481(1)(A) of this title.

(3) “Exemption period” has the same meaning as in subsection 3871(d) of this subchapter.

(4) “New construction” means the building of new dwellings.

(5) “Principal residence” means the dwelling occupied by a resident individual as the individual’s domicile during the taxable year and for a property owner, owned, or for a renter, rented under a rental agreement other than a short-term rental as defined under 18 V.S.A. § 4301(a)(14).

(6)(A) “Qualifying improvement” means new construction or a physical change to an existing dwelling or other structure beyond normal and ordinary maintenance, painting, repairs, or replacements, provided the change:

(i) results in new or rehabilitated dwellings that are designed to be occupied as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14); and

(ii) occurred through new construction or rehabilitation, or both, during the 12 months immediately preceding or immediately following submission of an exemption application under this subchapter.

(B) “Qualifying improvement” does not mean new construction or a physical change to any portion of a mixed-use building as defined under 10 V.S.A. § 6001(28) that is not used as a principal residence.

(7)(A) “Qualifying property” means a parcel with a structure that is:

(i) located within one-half mile of a designated downtown district, village center, or neighborhood development area determined pursuant to 24 V.S.A. chapter 76A or a new market tax credit area determined pursuant to 26 U.S.C. § 45D, or both;

(ii) composed of one or more dwellings designed to be occupied as principal residences, provided:

(I) none of the dwellings shall be occupied as short-term rentals as defined under 18 V.S.A. § 4301(a)(14) before the exemption period ends; and

(II) a structure with more than one dwelling shall only qualify if it meets the definition of mixed-income housing under 10 V.S.A. § 6001(27);

(iii) undergoing, has undergone, or will undergo qualifying improvements;

(iv) in compliance with all relevant permitting requirements; and

(v) located in an area that was declared a federal disaster between July 1, 2023 and October 15, 2023 that was eligible for Individual Assistance from the Federal Emergency Management Agency or located in Addison or Franklin county.

(B) “Qualifying property” may have a mixed use as defined under 10 V.S.A. § 6001(28).

(C) “Qualifying property” includes property located outside a tax increment financing district established under 24 V.S.A. chapter 53, subchapter 5. By vote of the legislative body, a municipality with a tax increment financing district, or a municipality applying for a tax increment financing district, may elect to deem properties within a tax increment financing district as “qualifying property” under this subdivision (C), provided, notwithstanding 24 V.S.A. § 1896, an increase in the appraisal value of a qualifying property due to qualifying improvements shall be excluded from the total assessed valuation used to determine the district’s tax increment under 24 V.S.A. § 1896 during the exemption period.

(i) For a municipality that elects to consider properties within an existing tax increment financing district under this subdivision (C) as “qualifying property,” the municipality shall submit a substantial change request and file an alternate financial plan to the Vermont Economic Progress Council, which shall detail the effect of this action for approval by the Council.

(ii) For a municipality that elects to consider properties within a tax increment financing district under this subdivision (C) as “qualifying property” at the time of creation of a new district, prior to implementation of an exemption under this chapter, the municipality shall present a financial plan to the Vermont Economic Progress Council, which shall detail the impact of the action on approval by the Council.

(8) “Rehabilitation” means extensive repair, reconstruction, or renovation of an existing dwelling or other structure, with or without demolition, new construction, or enlargement, provided the repair, reconstruction, or renovation:

(A) is for the purpose of eliminating substandard structural, housing, or unsanitary conditions or stopping significant deterioration of the existing structure; and

(B) equals or exceeds a total cost of 15 percent of the grand list value prior to repair, reconstruction, or renovation or \$75,000.00, whichever is less.

(9) “Taxable value” means the value of qualifying property that is taxed during the exemption period.

#### § 3871. EXEMPTION

(a) Value increase exemption. An increase in the appraisal value of a qualifying property due to qualifying improvements shall be exempted from property taxation pursuant to this subchapter by fixing and maintaining the taxable value of the qualifying property at the property’s grand list value in the year immediately preceding any qualifying improvements. A decrease in appraisal value of a qualifying property due to damage or destruction from fire or act of nature may reduce the qualifying property’s taxable value below the value fixed under this subsection.

(b) State education property tax exemption. The appraisal value of qualifying improvements to qualifying property shall be exempt from the State education property tax imposed under chapter 135 of this title as provided under this subchapter. The appraisal value exempt under this subsection shall not be exempt from municipal property taxation unless the qualifying property is located in a municipality that has voted to approve an exemption under subsection (c) of this section.

(c) Municipal property tax exemption. If the legislative body of a municipality by a majority vote recommends, the voters of a municipality may, at an annual or special meeting warned for that purpose, adopt by a majority vote of those present and voting an exemption from municipal property tax for the value of qualifying improvements to qualifying property exempt from State property taxation under subsection (b) of this section. The municipal exemption shall remain in effect until rescinded in the same manner the exemption was adopted. Not later than 30 days after the adjournment of a meeting at which a municipal exemption is adopted or rescinded under this subsection, the town clerk shall report to the Director of Property Valuation and Review and the Agency the date on which the exemption was adopted or rescinded.

(d) Exemption period.

(1) An exemption under this subchapter shall start in the first property tax year immediately following the year in which an application for exemption under section 3872 of this title is approved and one of the following occurs:

(A) issuance of a certificate of occupancy by the municipal governing body for the qualifying property; or

(B) the property owner's declaration of ownership of the qualifying property as a homestead pursuant to section 5410 of this title.

(2) An exemption under this subchapter shall remain in effect for three years, provided the property continues to comply with the requirements of this subchapter. When the exemption period ends, the property shall be taxed at its most recently appraised grand list value.

(3) The municipal exemption period for a qualifying property shall start and end at the same time as the State exemption period; provided that, if a municipality first votes to approve a municipal exemption after the State exemption period has already started for a qualifying property, the municipal exemption shall only apply after the vote and notice requirements have been met under subsection (c) of this section and shall only continue until the State exemption period ends.

§ 3872. ADMINISTRATION AND CERTIFICATION

(a) To be eligible for exemption under this subchapter, a property owner shall:

(1) submit an application to the Agency of Commerce and Community Development in the form and manner determined by the Agency, including certification by the property owner that the property and improvements qualify for exemption at the time of application and annually thereafter until the exemption period ends; and

(2) the certification shall include an attestation under the pains and penalties of perjury that the property will be used in the manner provided under this subchapter during the exemption period, including occupancy of dwellings as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14), and that the property owner will either provide alternative housing for tenants at the same rent or that the property has been unoccupied either by a tenant's choice or for 60 days prior to the application.

A certification by the property owner granted under this subdivision shall:

(A) be coextensive with the exemption period;

(B) require notice to the Agency of the transfer or assignment of the property prior to transfer, which shall include the transferee's or assignee's full names, phone numbers, and e-mail and mailing addresses;

(C) require notice to any prospective transferees or assignees of the property of the requirements of the exemption under this subchapter; and

(D) require a new certification to be signed by the transferees or assignees of the property.

(b) The Agency shall establish and make available application forms and procedures necessary to verify initial and ongoing eligibility for exemption under this subchapter. Not later than 60 days after receipt of a completed application, the Agency shall determine whether the property and any proposed improvements qualify for exemption and shall issue a written decision approving or denying the exemption. The Agency shall notify the property owner, the municipality where the property is located, and the Commissioner of Taxes of its decision.

(c) If the property owner fails to use the property according to the terms of the certification, the Agency shall, after notifying the property owner, determine whether to revoke the exemption. If the exemption is revoked, the Agency shall notify the property owner, the municipality where the property is located, and the Commissioner of Taxes. Upon notification of revocation, the Commissioner shall assess to the property owner:

(1) all State and municipal property taxes as though no exemption had been approved, including for any exemption period that had already begun; and



(2) interest pursuant to section 3202 of this title on previously exempt taxes.

(d) No new applications for exemption shall be approved pursuant to this subchapter after December 31, 2027.

Sec. 81. 32 V.S.A. § 4152(a) is amended to read:

(a) When completed, the grand list of a town shall be in such form as the Director prescribes and shall contain such information as the Director prescribes, including:

\* \* \*

(6) For those parcels that are exempt, the insurance replacement value reported to the local assessing officials by the owner under section 3802a of this title or what the full listed value of the property would be absent the exemption and the statutory authority for granting such exemption and, for properties exempt pursuant to a vote, the year in which the exemption became effective and the year in which the exemption ends; provided that, for parcels exempt under chapter 125, subchapter 3 of this title, the insurance replacement value shall not be substituted for the full listed value of the property absent the exemption and the grand list shall indicate whether the exemption applies to the State property tax or both the State and municipal property taxes.

\* \* \*

*Sec. 82. REPEALS; NEW CONSTRUCTION OR REHABILITATION*

*EXEMPTION*

*The following are repealed on July 1, 2037:*

*(1) 32 V.S.A. § 3800(q) (statutory purpose); and*

*(2) 32 V.S.A. chapter 125, subchapter 3 (new construction or rehabilitation exemption).*

*Sec. 83. 32 V.S.A. § 4152(a) is amended to read:*

*(a) When completed, the grand list of a town shall be in such form as the Director prescribes and shall contain such information as the Director prescribes, including:*

*\* \* \**

*(6) For those parcels that are exempt, the insurance replacement value reported to the local assessing officials by the owner under section 3802a of this title or what the full listed value of the property would be absent the exemption and the statutory authority for granting such exemption and, for properties exempt pursuant to a vote, the year in which the exemption became effective and the year in which the exemption ends; ~~provided that, for parcels exempt under chapter 125, subchapter 3 of this title, the insurance replacement value shall not be substituted for the full listed value of the property absent the exemption and the grand list shall indicate whether the exemption applies to the State property tax or both the State and municipal property taxes.~~*

~~Sec. 83a. 32 V.S.A. § 9603 is amended to read:~~

~~§ 9603. EXEMPTIONS~~

~~(a) The following transfers are exempt from the tax imposed by this chapter:~~

~~\* \* \*~~

~~(27)(A) Transfers of abandoned dwellings that the transferee certifies will be rehabilitated for occupancy as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14), provided the rehabilitation is completed and occupied not later than three years after the date of the transfer. If three years after the date of transfer the rehabilitation has not been completed and occupied, then the tax imposed by this chapter shall become due.~~

~~(B) As used in this subdivision (27):~~

~~(i) “Abandoned” means real estate owned by a municipality and acquired through condemnation or a tax sale, provided the real estate has substandard structural or housing conditions, including unsanitary and unsafe dwellings and deterioration sufficient to constitute a threat to human health, safety, and public welfare.~~

~~(ii) “Completed” means rehabilitation of a dwelling to be fit for occupancy as a principal residence.~~

~~(iii) "Principal residence" means a dwelling occupied by a resident individual as the individual's domicile during the taxable year and for a property owner, owned, or for a renter, rented under a rental agreement other than a short term rental as defined under 18 V.S.A. § 4301(a)(14).~~

~~(iv) "Rehabilitation" means extensive repair, reconstruction, or renovation of an existing dwelling beyond normal and ordinary maintenance, painting, repairs, or replacements, with or without demolition, new construction, or enlargement.~~

~~(28) Transfers of a new mobile home, as that term is defined in 10 V.S.A. § 6201(1), that:~~

~~(A) bears a label evidencing, at a minimum, greater energy efficiency under the ENERGY STAR Program established in 42 U.S.C. § 6294a; or~~

~~(B) is certified as a Zero Energy Ready Home by the U.S. Department of Energy.~~

~~(b) The following transfers shall not pay a rate higher than 1.25 percent of the value of the property transferred:~~

~~(1) Transfers of property that are enrolled in the Use Value Appraisal Program pursuant to chapter 124 of this title, and will continue to be enrolled after transfer, provided:~~

~~(A) at least 25 acres are enrolled as agricultural land, as defined in subdivision 2752(1)(4) of this title; and~~

~~(2) the transferee is a farmer, as defined in subdivision 3752(7) of this title.~~

Sec. 83a. 32 V.S.A. § 9603 is amended to read:

§ 9603. EXEMPTIONS

The following transfers are exempt from the tax imposed by this chapter:

\* \* \*

(27)(A) Transfers of abandoned dwellings that the transferee certifies will be rehabilitated for occupancy as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14), provided the rehabilitation is completed and occupied not later than three years after the date of the transfer. If three years after the date of transfer the rehabilitation has not been completed and occupied, then the tax imposed by this chapter shall become due.

(B) As used in this subdivision (27):

(i) "Abandoned" means real estate owned by a municipality and acquired through condemnation or a tax sale, provided the real estate has substandard structural or housing conditions, including unsanitary and unsafe dwellings and deterioration sufficient to constitute a threat to human health, safety, and public welfare.

(ii) "Completed" means rehabilitation of a dwelling to be fit for occupancy as a principal residence.

(iii) “Principal residence” means a dwelling occupied by a resident individual as the individual’s domicile during the taxable year and for a property owner, owned, or for a renter, rented under a rental agreement other than a short-term rental as defined under 18 V.S.A. § 4301(a)(14).

(iv) “Rehabilitation” means extensive repair, reconstruction, or renovation of an existing dwelling beyond normal and ordinary maintenance, painting, repairs, or replacements, with or without demolition, new construction, or enlargement.

(28) Transfers of a new mobile home, as that term is defined in 10 V.S.A. § 6201(1), that:

(A) bears a label evidencing, at a minimum, greater energy efficiency under the ENERGY STAR Program established in 42 U.S.C. § 6294a; or

(B) is certified as a Zero Energy Ready Home by the U.S. Department of Energy.

Sec. 84. [Deleted.]

Sec. 85. [Deleted.]

*\* \* \* Housing Programs \* \* \**

Sec. 86. 10 V.S.A. § 699 is amended to read:

§ 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

(a) Creation of Program.

*(1) The Department of Housing and Community Development shall design and implement the Vermont Rental Housing Improvement Program, through which the Department shall award funding to statewide or regional nonprofit housing organizations, or both, to provide competitive grants and forgivable loans to private landlords for the rehabilitation, including weatherization and accessibility improvements, of eligible rental housing units.*

*(2) The Department shall develop statewide standards for the Program, including factors that partner organizations shall use to evaluate applications and award grants and forgivable loans.*

*(3) A landlord shall not offer a unit created through the Program as a short-term rental, as defined in 18 V.S.A. § 4301, for the period a grant or loan agreement is in effect.*

*(4) The Department may utilize a reasonable percentage, up to a cap of five percent, of appropriations made to the Department for the Program to administer the Program.*

*(5) The Department may cooperate with and subgrant funds to State agencies and governmental subdivisions and public and private organizations in order to carry out the purposes of this subsection.*

*(b) Eligible rental housing units. The following units are eligible for a grant or forgivable loan through the Program:*

*(1) Non-code compliant.*

*(A) The unit is an existing unit, whether or not occupied, that does not comply with the requirements of applicable building, housing, or health laws.*

*(B) If the unit is occupied, the grant or forgivable loan agreement shall include terms:*

*\* \* \**

*(d) Program requirements applicable to grants and forgivable loans.*

*(1)(A) A grant or loan shall not exceed:*

*(i) \$70,000.00 per unit, for rehabilitation or creation of an eligible rental housing unit meeting the applicable building accessibility requirements under the Vermont Access Rules; or*

*(ii) \$50,000.00 per unit, for rehabilitation or creation of any other eligible rental housing unit.*

*(B) In determining the amount of a grant or loan, a housing organization shall consider the number of bedrooms in the unit ~~and~~, whether the unit is being rehabilitated or newly created, whether the project includes accessibility improvements, and whether the unit is being converted from nonresidential to residential purposes.*

*(2) A landlord shall contribute matching funds or in-kind services that equal or exceed 20 percent of the value of the grant or loan.*



*(3) A project may include a weatherization component.*

*(4) A project shall comply with applicable building, housing, and health laws.*

*(5) The terms and conditions of a grant or loan agreement apply to the original recipient and to a successor in interest for the period the grant or loan agreement is in effect.*

*(6) The identity of a recipient ~~and~~, the amount of a grant or forgivable loan, the year in which the grant or forgivable loan was extended, and the year in which any affordability covenant ends are public records that shall be available for public copying and inspection and the Department shall publish this information at least quarterly on its website.*

*(7) A project for rehabilitation or creation of an accessible unit may apply funds to the creation of a parking spot for individuals with disabilities.*

*(e) Program requirements applicable to grants and five-year forgivable loans. For a grant or five-year forgivable loan awarded through the Program, the following requirements apply for a minimum period of five years:*

*(1) A landlord shall coordinate with nonprofit housing partners and local coordinated entry organizations to identify potential tenants.*

*(2)(A) Except as provided in subdivision (2)(B) of this subsection (e), a landlord shall lease the unit to a household that is:*

(i) exiting homelessness or, including any individual under 25 years of age who secures housing through a master lease held by a youth service provider on behalf of individuals under 25 years of age;

(ii) actively working with an immigrant or refugee resettlement program; or

(iii) composed of at least one individual with a disability who is eligible to receive Medicaid-funded home and community based services.

(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household ~~exiting homelessness~~ under subdivision (A) of this subdivision (2) is not available to lease the unit, then the landlord shall lease the unit:

(i) to a household with an income equal to or less than 80 percent of area median income; or

(ii) if such a household is unavailable, to another household with the approval of the Department or housing organization.

(3)(A) A landlord shall accept any housing vouchers that are available to pay all, or a portion of, the tenant's rent and utilities.

(B) If no housing voucher or federal or State subsidy is available, the total cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development.

*(4)(A) A landlord may convert a grant to a forgivable loan upon approval of the Department and the housing organization that approved the grant.*

*(B) A landlord who converts a grant to a forgivable loan shall receive a ~~10-percent~~ prorated credit for loan forgiveness for each year in which the landlord participates in the ~~grant program~~ Program.*

*(f) Requirements applicable to 10-year forgivable loans. For a 10-year forgivable loan awarded through the Program, the following requirements apply for a minimum period of 10 years:*

*(1) A landlord shall coordinate with nonprofit housing partners and local coordinated entry organizations to identify potential tenants.*

*(2)(A) Except as provided in subdivision (2)(B) of this subsection (f), a landlord shall lease the unit to a household that is:*

*(i) exiting homelessness, including any individual under 25 years of age who secures housing through a master lease held by a youth service provider on behalf of individuals under 25 years of age;*

*(ii) actively working with an immigrant or refugee resettlement program; or*

*(iii) composed of at least one individual with a disability who is eligible to receive Medicaid-funded home and community based services.*

(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household under subdivision (2)(A) of this subsection (f) is not available to lease the unit, then the landlord shall lease the unit:

(i) to a household with an income equal to or less than 80 percent of area median income; or

(ii) if such a household is unavailable, to another household with the approval of the Department or housing organization.

(3)(A) A landlord shall accept any housing vouchers that are available to pay all, or a portion of, the tenant's rent and utilities.

(B) If no housing voucher or federal or State subsidy is available, the cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development.

(2)(4) The Department shall forgive 10 percent of the amount of a forgivable loan for each year a landlord participates in the loan program.

\* \* \*

Sec. 87. [Deleted.]

Sec. 88. RESIDENT SERVICES PROGRAM

(a) The Agency of Human Services shall work in coordination with the Vermont Housing and Conservation Board to develop the Resident Services

Program for the purpose of distributing funds to eligible affordable housing organizations to respond to timely and urgent resident needs and aid with housing retention.

(b) For purposes of this section, an “eligible affordable housing organization” is a Vermont-based nonprofit or public housing organization that makes available at least 15 percent of its affordable housing portfolio to, or a Vermont-based nonprofit that provides substantial services to, families and individuals experiencing homelessness, including those who require service support or rental assistance to secure and maintain their housing, consistent with the goal of Executive Order No. 03-16 (Publicly Funded Housing for the Homeless).

Sec. 89. 2023 Acts and Resolves No. 47, Sec. 36 is amended to read:

Sec. 36. MIDDLE-INCOME HOMEOWNERSHIP DEVELOPMENT  
PROGRAM

\* \* \*

(d) The total amount of subsidies for a project shall not exceed 35 percent of eligible development costs, as determined by the Agency, ~~which the~~ at the time of approval of the project, unless the Agency later determines that the project will not result in affordable owner-occupied housing for income-eligible homebuyers without additional subsidy, in which case the Agency may, at its discretion, reasonably exceed this limitation and only to the extent

*required to achieve affordable owner-occupied housing. The Agency may shall allocate subsidies consistent with the following:*

\* \* \*

*Sec. 90. APPROPRIATION; FIRST-GENERATION HOMEBUYER  
PROGRAM*

*The sum of \$1,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2025 for a grant to the Vermont Housing Finance Agency for the First-Generation Homebuyer Program established by 2022 Acts and Resolves No. 182, Sec. 2, and amended from time to time.*

*Sec. 91. APPROPRIATION; LAND ACCESS AND OPPORTUNITY  
BOARD*

*The sum of \$1,000,000.00 is appropriated from the General Fund to the Vermont Housing and Conservation Board in fiscal year 2025 to administer and support the Land Access and Opportunity Board.*

*\* \* \* Accessibility Priority for Housing Authorities \* \* \**

*Sec. 92. 24 V.S.A. § 4010 is amended to read:*

*§ 4010. DUTIES*

*(a) In the operation of or management of housing projects, an authority shall at all times observe the following duties with respect to rentals and tenant selection:*

\* \* \*

(6) When renting or leasing accessible dwelling accommodations, it shall give priority to tenants with a disability. As used in this subdivision, “accessible” means a dwelling that complies with the requirements for an accessible unit set forth in section 1102 of the 2017 ICC Standard for Accessible and Useable Buildings and Facilities or a similar standard adopted by the Access Board by rule pursuant to 20 V.S.A. § 2901.

\* \* \*

\* \* \* *Housing Accountability* \* \* \*

*Sec. 93. VERMONT STATEWIDE AND REGIONAL HOUSING*

*TARGETS PROGRESS; REPORT*

(a) Upon publication of the Statewide Housing Needs Assessment setting out the statewide and regional housing targets required pursuant to 24 V.S.A. § 4348a, the Department of Housing and Community Development, in coordination with regional planning commissions, shall develop metrics for measuring progress toward the statewide and regional housing targets, including:

(1) for any housing target, a timeline separating the target into discrete steps with specific deadlines; and

(2) for any regional housing target:

(A) a rate measuring progress toward the total needed housing investment published in the regional plan for a region subject to the regional housing target by separate measure for each of price, quality, unit size or type, and zoning district, as applicable; and

(B) steps taken to achieve any actions recommended to satisfy the regional housing needs published in the regional plan for a region subject to the regional housing target.

(b) The Department shall employ the metrics developed under subsection (a) of this section to set annual goals for achieving the statewide and regional housing targets required pursuant to 24 V.S.A. § 4348a.

(c) Within one year following publication of the Statewide Housing Needs Assessment setting out the statewide and regional housing targets required pursuant to 24 V.S.A. § 4348a and annually thereafter through 2030, the Department shall publish a report on progress toward the statewide and regional housing targets, including:

(1)(A) annual and cumulative progress toward the statewide and regional housing targets based on the metrics developed pursuant to subsection (a) of this section; and

(B) for any statewide or regional housing target the Department determines may not practicably be measured by any of the metrics developed pursuant to subsection (a) of this section, an explanation that the statewide or



regional housing target may not practicably be measured by the Department's metrics and a description of the status of progress toward the statewide or regional housing target;

(2) progress toward the annual goals for the year of publication set pursuant to subsection (b) of this section;

(3) an overall assessment whether, in the Department's discretion, annual progress toward the statewide and regional housing targets is satisfactory based on the measures under subdivisions (1) and (2) of this subsection and giving due consideration to the complete timeline for achieving the statewide and regional housing targets; and

(4) if the Department determines pursuant to subdivision (3) of this subsection that annual progress toward the statewide and regional housing targets is not satisfactory, recommendations for accelerating progress. The Department shall specifically consider whether the creation of a process that permits developers to propose noncompliant housing developments under certain conditions, like a builder's remedy, or a cause of action would be likely to accelerate progress.

(d) The Department shall have broad discretion to determine any timeline or annual goal under subsection (a) or (b) of this section, provided the Department determines that any step in a timeline or annual goal, when considered together with the other steps or annual goals, will reasonably lead

to achievement of the statewide or regional housing targets published in the Statewide Housing Needs Assessment.

(e) If the statewide and regional housing targets are not published in the Statewide Housing Needs Assessment published in 2024, the Department shall develop and publish the required housing targets within six months following publication of the Statewide Housing Needs Assessment. Any reference to the statewide and regional housing targets published in the Statewide Housing Needs Assessment in this section shall be deemed to refer to the housing targets published under this subsection, and any reference to the date of publication of the Statewide Housing Needs Assessment in this section shall be deemed to refer to the date of publication of the housing targets published under this subsection.

\* \* \* Eviction Prevention Initiatives \* \* \*

Sec. 94. APPROPRIATION; RENTAL HOUSING STABILIZATION

SERVICES

The sum of \$400,000.00 is appropriated from the General Fund to the Office of Economic Opportunity within the Department for Children and Families in fiscal year 2025 for a grant to the Champlain Valley Office of Economic Opportunity for the Rental Housing Stabilization Services Program established by 2023 Acts and Resolves No. 47, Sec. 43.

*Sec. 95. APPROPRIATION; TENANT REPRESENTATION PILOT*

*PROGRAM*

*The sum of \$1,025,000.00 is appropriated from the General Fund to the Agency of Human Services in fiscal year 2025 for a grant to Vermont Legal Aid for the Tenant Representation Pilot Program established by 2023 Acts and Resolves No. 47, Sec. 44.*

*Sec. 96. APPROPRIATION; RENT ARREARS ASSISTANCE FUND*

*The sum of \$2,500,000.00 is appropriated from the General Fund to the Vermont State Housing Authority in fiscal year 2025 for the Rent Arrears Assistance Fund established by 2023 Acts and Resolves No. 47, Sec. 45.*

*Sec. 97. [Deleted.]*

*\* \* \* Rental Data Collection and Protection \* \* \**

*Sec. 98. 32 V.S.A. § 6069 is amended to read:*

*§ 6069. LANDLORD CERTIFICATE*

*(a) On or before January 31 of each year, the owner of land rented as a portion of a homestead in the prior calendar year shall furnish a certificate of rent to the Department of Taxes and to each claimant who owned a portion of the homestead and rented that land as a portion of a homestead in the prior calendar year. The certificate shall indicate the proportion of total property tax on that parcel that was assessed for municipal property tax and for statewide property tax.*

*(b) The owner of each rental property shall, on or before January 31 of each year, furnish a certificate of rent to the Department of Taxes.*

*(c) A certificate under this section shall be in a form prescribed by the Commissioner and shall include the following:*

*(1) the name of the renter;*

*(2) the address and any property tax parcel identification number of the homestead, ~~the information required under subsection (f) of this section;~~*

*(3) the name of the owner or landlord of the rental unit;*

*(4) the phone number, e-mail address, and mailing address of the landlord, as available;*

*(5) the location of the rental unit;*

*(6) the type of rental unit;*

*(7) the number of rental units in the building;*

*(8) the gross monthly rent per unit;*

*(9) the year in which the rental unit was built;*

*(10) the ADA accessibility of the rental unit; and*

*(11) any additional information that the Commissioner determines is appropriate.*

*(d) An owner who knowingly fails to furnish a certificate to the Department as required by this section shall be liable to the Commissioner for a penalty of \$200.00 for each failure to act. Penalties under this subsection shall be*

*assessed and collected in the manner provided in chapter 151 of this title for the assessment and collection of the income tax.*

*(e) [Repealed.]*

*(f) ~~Annually on or before October 31, the Department shall prepare and make available to a member of the public upon request a database in the form of a sortable spreadsheet that contains the following information for each rental unit for which the Department received a certificate pursuant to this section:~~*

*~~(1) name of owner or landlord;~~*

*~~(2) mailing address of landlord;~~*

*~~(3) location of rental unit;~~*

*~~(4) type of rental unit;~~*

*~~(5) number of units in building; and~~*

*~~(6) School Property Account Number: Annually on or before December 15, the Department shall submit a report on the aggregated data collected under this section to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General and Housing.~~*

*Sec. 99. 32 V.S.A. § 3102 is amended to read:*

*§ 3102. CONFIDENTIALITY OF TAX RECORDS*

*(a) No present or former officer, employee, or agent of the Department of Taxes shall disclose any return or return information to any person who is not an officer, employee, or agent of the Department of Taxes except in accordance with the provisions of this section. A person who violates this section shall be fined not more than \$1,000.00 or imprisoned for not more than one year, or both; and if the offender is an officer or employee of this State, the offender shall, in addition, be dismissed from office and be incapable of holding any public office for a period of five years thereafter.*

*(b) The following definitions shall apply for purposes of this chapter:*

*\* \* \**

*(3) "Return information" includes a person's name, address, date of birth, Social Security or federal identification number or any other identifying number; information as to whether or not a return was filed or required to be filed; the nature, source, or amount of a person's income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liabilities, tax payments, deficiencies, or over-assessments; and any other data, from any source, furnished to or prepared or collected by the Department of Taxes with respect to any person.*

*\* \* \**

*(e) The Commissioner may, in the Commissioner's discretion and subject to such conditions and requirements as the Commissioner may provide, including any confidentiality requirements of the Internal Revenue Service, disclose a return or return information:*

\* \* \*

*(22) To the Agency of Natural Resources and the Department of Public Service, provided that the disclosure relates to the sales and use tax for aviation jet fuel and natural gas under chapter 233 of this title or to the fuel tax under 33 V.S.A. chapter 25 and is subject to any confidentiality requirements of the Internal Revenue Service and the disclosure exemption provisions of 1 V.S.A. § 317.*

*(23) To the Division of Vermont Emergency Management at the Department of Public Safety for the purposes of emergency management and communication, and to the Department of Housing and Community Development and any organization then under contract with the Department of Housing and Community Development to carry out a statewide housing needs assessment for the purpose of the statewide housing needs assessment, provided that the disclosure relates to the information collected on the landlord certificate pursuant to subsection 6069(c) of this title.*

*\* \* \* Short-Term Rentals \* \* \**

*Sec. 100. 20 V.S.A. § 2676 is amended to read:*

*§ 2676. DEFINITION*

*As used in this chapter;*

*(1) ~~“rental~~ Rental housing” means:*

*(1)(A) a “premises” as defined in 9 V.S.A. § 4451 that is subject to 9 V.S.A. chapter 137 (residential rental agreements); and*

*(2)(B) a “short-term rental” as ~~defined in 18 V.S.A. § 4301 and~~ subject to 18 V.S.A. chapter 85, subchapter 7.*

*(2) “Short-term rental” has the same meaning as in 18 V.S.A. § 4301.*

*Sec. 101. 20 V.S.A. § 2678 is added to read:*

*§ 2678. SHORT-TERM RENTALS; HEALTH AND SAFETY*

*DISCLOSURE*

*(a) The Department of Public Safety’s Division of Fire Safety shall prepare concise guidance on the rules governing health, safety, sanitation, and fitness for habitation of short-term rentals in this State and provide the guidance to any online platform or travel agent hosting or facilitating the offering of a short-term rental in this State.*

*(b) Any online platform or travel agent hosting or facilitating the offering of a short-term rental in this State shall make available the guidance under subsection (a) of this section to a short-term rental operator in this State.*



(c) A short-term rental operator shall:

(1) physically post the guidance under subsection (a) of this section in a conspicuous place in any short-term rental offered for rent in this State; and

(2) provide the guidance under subsection (a) of this section as part of any offering or listing of a short-term rental in this State.

*\* \* \* Flood Risk Disclosure \* \* \**

See 102-27 VS 4 - § 380 is added to read:

§ 380. DISCLOSURE OF INFORMATION; CONVEYANCE OF REAL

ESTATE

(a) Prior to or as part of a contract for the conveyance of real property, the seller shall provide notice to the buyer whether the property is subject to any requirement under federal law to obtain and maintain flood insurance on the property. This notice shall be provided in a clear and conspicuous manner in a separate written document and attached as an addendum to the contract.

(b) The failure of the seller to provide the buyer with the information required under subsection (a) of this section is grounds for the buyer to terminate the contract prior to transfer of title or occupancy, whichever occurs earlier.

(c) A buyer of real estate who fails to receive the information required to be disclosed by a seller under subsection (a) of this section may bring an action to recover from the seller the amount of the buyer's damages and reasonable

~~attorney's fees. The buyer may also seek punitive damages when the seller knowingly failed to provide the required information.~~

~~(d) A seller shall not be liable for damages under this section for any error, inaccuracy, or omission of any information required to be disclosed to the buyer under subsection (a) of this section when the error, inaccuracy, or omission was based on information provided by a public body or a by another person with a professional license or special knowledge who provided a written report that the seller reasonably believed to be correct and that was provided by the seller to the buyer.~~

~~(e) Noncompliance with the requirements of this section shall not affect the marketability of title of a real property.~~

~~Sec. 103. 9 V.S.A. § 4466 is added to read:~~

~~§ 4466. REQUIRED DISCLOSURE~~

~~A landlord shall disclose in advance of entering a rental agreement with a tenant whether any portion of the premises offered for rent is located in a Federal Emergency Management Agency mapped flood hazard area. This notice shall be provided in a separate written document given to the tenant at or before execution of the lease.~~

~~Sec. 104. 10 V.S.A. § 6236(e) is amended to read:~~

~~(e) All mobile home lot leases shall contain the following:~~

~~(8) Notice that the mobile home park is in a flood hazard area if any lot within the mobile home park is wholly or partially located in a flood hazard area according to the flood insurance rate map effective for the mobile home park at the time the proposed lease is furnished to a prospective leaseholder. This notice shall be provided in a clear and conspicuous manner in a separate written document attached as an addendum to the proposed lease.~~

Sec. 102. 27 V.S.A. § 380 is added to read:

§ 380. DISCLOSURE OF INFORMATION; CONVEYANCE OF REAL

ESTATE

(a) Prior to or as part of a contract for the conveyance of real property, the seller shall provide the buyer with the following information:

(1) whether the real property is located in a Federal Emergency Management Agency mapped special flood hazard area;

(2) whether the real property is located in a Federal Emergency Management Agency mapped moderate flood hazard area;

(3) whether the real property was subject to flooding or flood damage while the seller possessed the property, including flood damage from inundation or from flood-related erosion or landslide damage; and

(4) whether the seller maintains flood insurance on the real property.

(b) The failure of the seller to provide the buyer with the information required under subsection (a) of this section is grounds for the buyer to

terminate the contract prior to transfer of title or occupancy, whichever occurs earlier.

(c) A buyer of real estate who fails to receive the information required to be disclosed by a seller under subsection (a) of this section may bring an action to recover from the seller the amount of the buyer's damages and reasonable attorney's fees. The buyer may also seek punitive damages when the seller knowingly failed to provide the required information.

(d) A seller shall not be liable for damages under this section for any error, inaccuracy, or omission of any information required to be disclosed to the buyer under subsection (a) of this section when the error, inaccuracy, or omission was based on information provided by a public body or by another person with a professional license or special knowledge who provided a written report that the seller reasonably believed to be correct and that was provided by the seller to the buyer.

(e) Noncompliance with the requirements of this section shall not affect the marketability of title of a real property.

Sec. 103. 9 V.S.A. § 4466 is added to read:

§ 4466. REQUIRED DISCLOSURE; MODEL FORM

(a) A landlord shall disclose in advance of entering a rental agreement with a tenant whether any portion of the premises offered for rent is located in a Federal Emergency Management Agency mapped special flood hazard area.

*This notice shall be provided to the tenant at or before execution of the lease in a separate written document substantially in the form prescribed by the Department of Housing and Community Development pursuant to subsection (b) of this section.*

*(b) The Department of Housing and Community Development shall develop a model form for the notice provided under this section that shall include the information required under subsection (a) of this section.*

*Sec. 104. 10 V.S.A. § 6236(e) is amended to read:*

*(e) All mobile home lot leases shall contain the following:*

*\* \* \**

*(8)(A) Notice that the mobile home park is in a flood hazard area if any lot within the mobile home park is wholly or partially located in a flood hazard area according to the flood insurance rate map effective for the mobile home park at the time the proposed lease is furnished to a prospective leaseholder. This notice shall be provided in a clear and conspicuous manner in a separate written document substantially in the form prescribed by the Department of Housing and Community Development pursuant to subdivision (B) of this subdivision (8) and attached as an addendum to the proposed lease.*

*(B) The Department of Housing and Community Development shall develop a model form for the notice provided under this section that shall include the information required under subdivision (A) of this subdivision (8).*

*Sec. 105. 10 V.S.A. § 6201 is amended to read:*

*§ 6201. DEFINITIONS*

*As used in this chapter, unless the context requires otherwise:*

*\* \* \**

*(13) “Flood hazard area” has the same meaning as in section 752 of this title.*

*(14) “Flood insurance rate map” means, for any mobile home park, the official flood insurance rate map describing that park published by the Federal Emergency Management Agency on its website.*

*Sec. 105a. 9 V.S.A. § 2602 is amended to read:*

*§ 2602. SALE OR TRANSFER; PRICE DISCLOSURE; MOBILE HOME*

*UNIFORM BILL OF SALE*

*(a) Appraisal; disclosure. When a mobile home is sold or offered for sale:*

*(1) If a mobile home is appraised, the appraisal shall include a cover sheet that itemizes the value of the unsited mobile home, the value of any adjacent or attached structures located on the site and the value of the sited location, if applicable, and valuations of sales of comparable properties.*

*(2) In the case of a new mobile home, the seller shall provide to a prospective buyer a written disclosure that states the retail price of the unsited mobile home, any applicable taxes, the set-up and transportation costs, and the value of the sited location, if applicable.*

(3) In the case of a mobile home as defined in 10 V.S.A. § 6201, the seller shall provide to a prospective buyer a written disclosure of any flooding history or flood damage to the mobile home known to the seller, including flood damage from inundation or from flood-related erosion or landslide damage.

(4) A legible copy of the disclosure required in subdivision (2) of this subsection shall be prominently displayed on a new mobile home in a location that is clearly visible to a prospective buyer from the exterior.

\* \* \*

\* \* \* Mobile Homes \* \* \*

Sec. 106. 2022 Acts and Resolves No. 182, Sec. 3, as amended by 2023 Acts and Resolves No. 3, Sec. 75 and 2023 Acts and Resolves No. 78, Sec. C.119, is further amended to read:

Sec. 3. MANUFACTURED HOME IMPROVEMENT AND

REPLACEMENT REPAIR PROGRAM

(a) Of the amounts available from the American Rescue Plan Act (ARPA) recovery funds, \$4,000,000 is appropriated to the Department of Housing and Community Development for the purposes specified. Amounts appropriated to the Department of Housing and Community Development for the Manufactured Home Improvement and Repair Program shall be used for one or more of the following purposes:

\* \* \*

(b) The Department administers the Manufactured Home Improvement and Repair Program and may utilize a reasonable percentage, up to a cap of five percent, of appropriations made to the Department for the Program to administer the Program.

(c) The Department may cooperate with and subgrant funds to State agencies and governmental subdivisions and public and private organizations in order to carry out the purposes of subsection (a) of this section.

*Sec. 107. MANUFACTURED HOME IMPROVEMENT AND REPAIR*

*PROGRAM APPROPRIATIONS; INFRASTRUCTURE; MOBILE  
HOME REPAIR*

The sum of \$1,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2025 for the following purposes:

(1) to improve mobile home park infrastructure under the Manufactured Home Improvement and Repair Program established by 2022 Acts and Resolves No. 182, Sec. 3, and amended from time to time; and

(2) to expand the Home Repair Awards program under the Manufactured Home Improvement and Repair Program established by 2022 Acts and Resolves No. 182, Sec. 3, and amended from time to time.

*Sec. 108. [Deleted.]*



*\* \* \* Age-Restricted Housing \* \* \**

*Sec. 109. 10 V.S.A. § 325c is added to read:*

*§ 325c. AGE-RESTRICTED HOUSING; RIGHT OF FIRST REFUSAL*

*(a) Definitions. As used in this section:*

*(1) “Age-restricted property” means a privately owned age-restricted residential property that is not licensed pursuant to 33 V.S.A. chapter 71 or 8 V.S.A. chapter 151.*

*(2) “Eligible buyer” means a nonprofit housing provider.*

*(b) Right of first refusal; assignment to eligible buyer.*

*(1) The Vermont Housing and Conservation Board shall have a right of first refusal for age-restricted properties as set out in this section. The Board may assign this right to an eligible buyer.*

*(2) For any offer made under this section, the Board or its assignee shall contractually commit to maintaining any affordability requirements in place for the age-restricted property at the time of sale.*

*(c) Content of notice. An owner of age-restricted property shall give to the Board notice by certified mail, return receipt requested, of the owner’s intention to sell the age-restricted property. The requirements of this section shall not be construed to restrict the price at which the owner offers the age-restricted housing for sale. The notice shall state all the following:*

*(1) that the owner intends to sell the age-restricted property;*

(2) the price, terms, and conditions under which the owner offers the age-restricted property for sale;

(3) that for 60 days following the notice, the owner shall not make a final unconditional acceptance of an offer to purchase the age-restricted property and that if within the 60 days the owner receives notice pursuant to subsection (d) of this section that the Board or its assignee intends to consider purchase of the age-restricted property, the owner shall not make a final unconditional acceptance of an offer to purchase the age-restricted property for an additional 120 days, starting from the 61st day following notice, except one from the Board or its assignee.

(d) Intent to negotiate; timetable. The Board or its assignee shall have 60 days following notice under subsection (c) of this section in which to determine whether the buyer intends to consider purchase of the age-restricted property. During this 60-day period, the owner shall not accept a final unconditional offer to purchase the age-restricted property.

(e) Response to notice; required action. If the owner receives no notice from the Board or its assignee during the 60-day period or if the Board notifies the owner that neither it nor its designee intends to consider purchase of the age-restricted property, the owner has no further restrictions regarding sale of the age-restricted property pursuant to this section. If, during the 60-day period, the owner receives notice in writing that the Board or its assignee

intends to consider purchase of the age-restricted property, then the owner shall do all the following:

(1) not accept a final unconditional offer to purchase from a party other than the Board or its assignee giving notice under subsection (d) of this section for 120 days following the 60-day period, a total of 180 days following the notice under subsection (c);

(2) negotiate in good faith with the Board or its assignee giving notice under subsection (d) of this section; and

(3) consider any offer to purchase from the Board or its assignee giving notice under subsection (d) of this section.

(f) Exceptions. The provisions of this section do not apply when the sale, transfer, or conveyance of the age-restricted property is any one or more of the following:

(1) through a foreclosure sale;

(2) to a member of the owner's family or to a trust for the sole benefit of members of the owner's family;

(3) among the partners who own the age-restricted property;

(4) incidental to financing the age-restricted property;

(5) between joint tenants or tenants in common;

(6) pursuant to eminent domain; or

(7) pursuant to a municipal tax sale.

(g) Requirement for new notice of intent to sell.

(1) Subject to subdivision (2) of this subsection, a notice of intent to sell issued pursuant to subsection (b) of this section shall be valid:

(A) for a period of one year from the expiration of the 60-day period following the date of the notice; or

(B) if the owner has entered into a binding purchase and sale agreement with the Board or its assignee within one year from the expiration of the 60-day period following the date of the notice, until the completion of the sale of the age-restricted property under the agreement or the expiration of the agreement, whichever is sooner.

(2) During the period in which a notice of intent to sell is valid, an owner shall provide a new notice of intent to sell, consistent with the requirements of subsection (b) of this section, prior to making an offer to sell the age-restricted property or accepting an offer to purchase the age-restricted property that is either more than five percent below the price for which the age-restricted property was initially offered for sale or less than five percent above the final written offer from the Board or its assignee.

(h) "Good faith." The Board or its assignee shall negotiate in good faith with the owner for purchase of the age-restricted property.

*Sec. 110. 9 V.S.A. § 4468a is added to read:*

§ 4468a. AGE-RESTRICTED HOUSING; RENT INCREASE; NOTICE

(a) Except as provided in subsection (c) of this section, an owner of privately owned age-restricted residential property within the State that is not licensed pursuant to 33 V.S.A. chapter 71 or 8 V.S.A. chapter 151 shall provide written notification on a form provided by the Department of Housing and Community Development to the Department and all the affected residents of any rent increase at the property not later than 60 days before the effective date of the proposed increase. The notice shall include all the following:

- (1) the amount of the proposed rent increase;
- (2) the effective date of the increase;
- (3) a copy of the resident's rights pursuant to this section; and
- (4) the percentage of increase from the current base rent.

(b) If the owner fails to notify either the residents or the Department of a rent increase as required by subsection (a) of this section, the proposed rent increase shall be ineffective and unenforceable.

(c) This section shall not apply to any rent increase at any publicly subsidized affordable housing that is monitored by a State or federal agency for rent limitations.

*\* \* \* Reports and Studies \* \* \**

~~Sec. 111. LAND BANK REPORT~~

~~*(a) The Department of Housing and Community Development and the Vermont League of Cities and Towns shall analyze the feasibility of a land bank program that would identify, acquire, and restore to productive use vacant, abandoned, contaminated, and distressed properties. The Department and the League shall engage with local municipalities, regional organizations, community organizations, and other stakeholders to explore:*~~

~~*(1) existing authority for public interest land acquisition for redevelopment and use;*~~

~~*(2) successful models and best practices for land bank programs in Vermont and other jurisdictions, including local, regional, nonprofit, state, and hybrid approaches that leverage the capacities of diverse communities and organizations within Vermont;*~~

~~*(3) potential benefits and challenges to creating and implementing a land bank program in Vermont;*~~

~~*(4) alternative approaches to State and municipal land acquisition, including residual value life estates and eminent domain, for purposes of revitalization and emergency land management, including for placement of trailers and other temporary housing;*~~

~~*(5) funding mechanisms and resources required to establish and operate*~~

~~a land bank program; and~~

~~(b) the legal and regulatory framework required to govern a State land bank program.~~

~~(b) On or before December 15, 2024, the Department of Housing and Community Development and the Vermont League of Cities and Towns shall submit a report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General and Housing with its findings and recommendations, including proposed draft legislation for the establishment and operation of a land bank.~~

*Sec. 111. LAND BANK REPORT*

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organizations within Vermont;

(3) potential benefits and challenges to creating and implementing a land bank program in Vermont;

(4) alternative approaches to State and municipal land acquisition, including residual value life estates and eminent domain, for purposes of revitalization and emergency land management, including for placement of trailers and other temporary housing;

(5) funding mechanisms and resources required to establish and operate a land bank program; and

(6) the legal and regulatory framework required to govern a State land bank program.

(b) On or before December 15, 2024, the Department of Housing and Community Development and the Vermont League of Cities and Towns shall submit a report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General and Housing with its findings and recommendations, including proposed draft legislation for the establishment and operation of a land bank.

**Sec. 112. RENT PAYMENT REPORTING REPORT**

(a) To facilitate the development of a pilot program for housing providers to report tenant rent payments for inclusion in consumer credit reports, the Office of the State Treasurer shall study:



(1) any entities currently facilitating landlord credit reporting;

(2) the number of landlords in Vermont utilizing rent payment software, related software expenses, and the need for or benefit of utilizing software for positive pay reporting;

(3) the impacts on tenants from rent payment reporting programs, including, if feasible, data gathered from the Champlain Housing Trust's program;

(4) any logistical steps the State must take to facilitate the program and any associated administrative costs; and

(5) any other issues the Treasurer deems appropriate for facilitating the development of the pilot program.

(b) On or before December 15, 2024, the Treasurer shall submit a report to the Senate Committee on Economic Development, Housing and General Affairs with its findings and recommendations, which may be in the form of proposed legislation.

*Sec. 113. LANDLORD-TENANT LAW; STUDY COMMITTEE; REPORT*

(a) Creation. There is created the Landlord-Tenant Law Study Committee to review and consider modernizing the landlord-tenant laws and evictions processes in Vermont.

(b) Membership. The Committee shall be composed of the following members:

(1) two current members of the House of Representatives, not all from the same political party and only one of whom may be a landlord, who shall be appointed by the Speaker of the House;

(2) two current members of the Senate, not all from the same political party and only one of whom may be a landlord, who shall be appointed by the Committee on Committees;

(3) a representative of Vermont Legal Aid with experience defending tenants in evictions actions;

(4) a representative of the Vermont Landlords Association;

(5) a representative of the Department of Housing and Community Development;

(6) a representative of the Judiciary; and

(7) a person with lived experience of eviction, who shall be appointed by the Champlain Valley Office of Economic Opportunity.

(c) Powers and duties. The Committee shall study issues with Vermont's landlord-tenant laws and current evictions process, including the following issues:

(1) whether Vermont's landlord-tenant laws require modernization;

(2) the impact of evictions policies on rental housing availability;

(3) whether current termination notice periods and evictions processing timelines reflect the appropriate balance between landlord and tenant interests;

(4) practical obstacles to the removal of unlawful occupants; and

(5) whether existing bases for termination are properly utilized, including specifically 9 V.S.A. § 4467(b)(2) (termination for criminal activity, illegal drug activity, or acts of violence).

(d) Assistance. For purposes of scheduling meetings and preparing recommended legislation, the Committee shall have the assistance of the Office of Legislative Operations and the Office of Legislative Counsel.

(e) Report. On or before December 15, 2024, the Committee shall report to the Senate Committee on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action, which may be in the form of proposed legislation.

(f) Meetings.

(1) The ranking member of the Senate shall call the first meeting of the Committee to occur on or before August 31, 2024.

(2) The Committee shall select a chair from among its members at the first meeting.

(3) A majority of the membership shall constitute a quorum.

(4) The Committee shall cease to exist upon submission of its findings

*and any recommendations for legislative action.*

*(g) Compensation and reimbursement.*

*(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee serving in the member's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six meetings.*

*(2) Other members of the Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than six meetings*

*(3) Payments to members of the Committee authorized under this subsection shall be made from monies appropriated to the General Assembly.*

~~*(4) Appropriation. The sum of \$10,500.00 is appropriated to the General Assembly from the General Fund in fiscal year 2025 for per diem compensation and reimbursement of expenses for members of the Committee.*~~

*(h) Appropriation. The sum of \$7,700.00 is appropriated to the General Assembly from the General Fund in fiscal year 2025 for per diem compensation and reimbursement of expenses for members of the Committee.*

~~Sec. 113a. LONG-TERM AFFORDABLE HOUSING, STUDY~~

~~COMMITTEE; REPORT~~

~~(a) Creation. There is created the Long-Term Affordable Housing Study Committee for the purpose of creating a plan to develop, sustain, and preserve affordable housing in response to Vermont's housing and homelessness crisis. The Committee shall focus on creating permanently affordable housing; reducing both sheltered and unsheltered homelessness; providing opportunities for housing mobility, including homeownership; and ensuring services and specialized housing options are available to Vermonters currently unable to access safe or affordable housing.~~

~~(b) Membership. The Committee shall be composed of the following members:~~

~~(1) two current members of the House of Representatives, not all from the same political party, who shall be appointed by the Speaker of the House;~~

~~(2) two current members of the Senate, not all from the same political party, who shall be appointed by the Committee on Committees;~~

~~(3) the Executive Director of the Vermont Housing and Conservation Board or designee;~~

~~(4) the Executive Director of the Vermont Housing Finance Agency or designee;~~

~~(5) the Commissioner of the Department of Housing and Community Development or designee;~~

~~(6) the Commissioner of the Department for Children and Families or designee; and~~

~~(7) three members appointed by the Housing and Homelessness Alliance of Vermont.~~

~~(c) Powers and duties. The Committee shall collect data and information on housing and homelessness, Vermonters' experience with housing in Vermont, and successful housing models within and outside Vermont; provide an analysis of Vermont's affordable housing development needs; and make recommendations on a long-term plan to create permanently affordable housing, including:~~

~~(1) the number of affordable rental-, homeownership-, and other service-supported housing units needed to fulfill the needs of Vermonters;~~

~~(2) the cost of building or rehabilitating the housing to meet Vermont's need for affordable housing broken down by program, with a schedule that establishes affordable housing needs annually for the next 10 years;~~

~~(3) an evaluation of the subsidy need to make both rental and homeownership housing affordable to people at different income levels; and~~

~~(4) an annual estimate of the number of people who would no longer experience homelessness as a result of implementation of the recommendations of the Committee.~~

~~(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Vermont Housing and Conservation Board.~~

~~(e) Report. On or before December 1, 2024, the Committee shall report to the House Committees on General and Housing, on Appropriations, and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs, on Appropriations, and on Finance with its findings and any recommendations for legislative action, which may be in the form of proposed legislation or revenue or appropriations recommendations.~~

~~(f) Meetings.~~

~~(1) The ranking member of the Senate shall call the first meeting of the Committee to occur on or before August 31, 2024.~~

~~(2) The Committee shall select a chair from among its members at the first meeting.~~

~~(3) A majority of the membership shall constitute a quorum.~~

~~(4) The Committee shall cease to exist upon submission of its recommendations for legislative action and any findings to the House Committees on General and Housing, on Appropriations, and on Ways and~~

~~Means and the Senate Committees on Economic Development, Housing and  
General Affairs, on Appropriations, and on Finance.~~

~~(g) Compensation and reimbursement.~~

~~(1) For attendance at meetings during adjournment of the General  
Assembly, a legislative member of the Committee serving in the member's  
capacity as a legislator shall be entitled to per diem compensation and  
reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than 12  
meetings.~~

~~(2) Other members of the Committee shall be entitled to per diem  
compensation and reimbursement of expenses as permitted under 32 V.S.A.  
§ 1010 for not more than 12 meetings.~~

~~(3) Payments to members of the Committee authorized under this  
subsection shall be made from monies appropriated to the General Assembly.~~

~~\* \* \* Natural Resources Board Appropriation \* \* \*~~

~~Sec. 113b. APPROPRIATION; NATURAL RESOURCES BOARD~~

~~The sum of \$400,000.00 is appropriated from the General Fund to the  
Natural Resources Board in fiscal year 2025 for compensation of board  
members.~~

~~Sec. 113a. [Deleted.]~~



*\*\*\* Natural Resources Board Appropriation \*\*\**

*Sec. 113b. APPROPRIATION; NATURAL RESOURCES BOARD*

*The sum of \$1,300,000.00 is appropriated from the General Fund to the Natural Resources Board in fiscal year 2025.*

*\*\*\* Effective Dates \*\*\**

~~*Sec. 114. EFFECTIVE DATES*~~

~~*This act shall take effect on passage, except that:*~~

~~*(1) Secs. 12 (10 V.S.A. § 6001), 13 (10 V.S.A. § 6086(a)(8)), and 20 (10 V.S.A. § 6001) shall take effect on December 31, 2026;*~~

~~*(2) Sec. 19 (10 V.S.A. § 6001(3)(A)(xii)) shall take effect on July 1, 2026;*~~

~~*(3) Sec. 68 (32 V.S.A. § 5930aa) shall take effect on January 1, 2027;*~~

~~*(4) Sec. 83 (grand list contents, 32 V.S.A. § 4152(a)) shall take effect on July 1, 2037; and*~~

~~*(5) Sec. 75 (property transfer tax) shall take effect on August 1, 2024.*~~

~~*Sec. 114. EFFECTIVE DATES*~~

~~*This act shall take effect on passage, except that:*~~

~~*(1) Secs. 12 (10 V.S.A. § 6001), 13 (10 V.S.A. § 6086(a)(8)), and 21 (10 V.S.A. § 6001) shall take effect on December 31, 2026;*~~

~~*(2) Sec. 19 (10 V.S.A. § 6001(3)(A)(xii)) shall take effect on July 1, 2026,*~~

~~(3) Secs. 73 (property transfer tax rates) and 83a (property transfer tax exemptions) shall take effect on August 1, 2024; and~~

~~(4) Sec. 98 (landlord certificate data collection) shall take effect on July 1, 2025.~~

*Sec. 114. EFFECTIVE DATES*

*This act shall take effect on passage, except that:*

*(1) Secs. 12 (10 V.S.A. § 6001), 13 (10 V.S.A. § 6086(a)(8)), and 21 (10 V.S.A. § 6001) shall take effect on December 31, 2026;*

*(2) Sec. 19 (10 V.S.A. § 6001(3)(A)(xii)) shall take effect on July 1, 2026;*

*(3) Secs. 73 (property transfer tax rates) and 83a (property transfer tax exemptions) shall take effect on August 1, 2024;*

*(4) Sec. 83 (grand list contents, 32 V.S.A. § 4152(a)) shall take effect on July 1, 2037; and*

*(5) Sec. 98 (landlord certificate data collection) shall take effect on July 1, 2025.*