1	S.100
2	An act relating to housing opportunities made for everyone
3	It is hereby enacted by the General Assembly of the State of Vermont:
4	* * * Municipal Zoning * * *
5	Sec. 1. 24 V.S.A. § 4414 is amended to read:
6	§ 4414. ZONING; PERMISSIBLE TYPES OF REGULATIONS
7	* * *
8	(4) Parking and loading facilities. A municipality may adopt provisions
9	setting forth standards for permitted and required facilities for off-street
10	parking and loading, which may vary by district and by uses within each
11	district. In any district that is served by municipal sewer and water
12	infrastructure that allows residential uses, a municipality shall not require more
13	than one parking space per dwelling unit. However, a municipality may
14	require 1.5 parking spaces for duplexes and multiunit dwellings in areas not
15	served by sewer and water and in areas that are located more than one-quarter
16	mile away from public parking rounded up to the nearest whole number when
17	calculating the total number of spaces. These bylaws may also include
18	provisions covering the location, size, design, access, landscaping, and
19	screening of those facilities. In determining the number of parking spaces for
20	nonresidential uses and size of parking spaces required under these regulations,
21	the appropriate municipal panel may take into account the existence or
22	availability of employer "transit pass" and rideshare programs, public transit

1	routes, and public parking spaces in the vicinity of the development. However,
2	a municipality shall not require an accessory dwelling unit to have more than
3	one parking space per bedroom.
4	* * *
5	Sec. 2. 24 V.S.A. § 4412 is amended to read:
6	§ 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS
7	Notwithstanding any existing bylaw, the following land development
8	provisions shall apply in every municipality:
9	(1) Equal treatment of housing and required provisions for affordable
10	housing.
11	* * *
12	(D) Bylaws shall designate appropriate districts and reasonable
13	regulations for multiunit or multifamily dwellings. No bylaw shall have the
14	effect of excluding these multiunit or multifamily dwellings from the
15	municipality. In any district that allows year-round residential development,
16	duplexes shall be an allowed use with the same dimensional standards as a
17	single-unit dwelling. In any district that is served by municipal sewer and
18	water infrastructure that allows residential development, multiunit dwellings
19	with four or fewer units shall be a permitted use, unless that district
20	specifically requires multiunit structures to have more than four dwelling units.

(E) Except for flood hazard and fluvial erosion area bylaws adopted
pursuant to section 4424 of this title, no bylaw shall have the effect of
excluding as a permitted use one accessory dwelling unit that is located within
or appurtenant to a single-family dwelling on an owner-occupied lot. A bylaw
may shall require a single-family dwelling with an accessory dwelling unit to
be subject to the same review, dimensional, or other controls as required for a
single-family dwelling without an accessory dwelling unit. An accessory
dwelling unit means a distinct unit that is clearly subordinate to a single-family
dwelling, and has facilities and provisions for independent living, including
sleeping, food preparation, and sanitation, provided there is compliance with
all the following: The criteria for conversion of an existing detached
nonresidential building to habitable space for an accessory dwelling unit shall
not be more restrictive than the criteria used for a single-family dwelling
without an accessory dwelling unit.
(i) The property has sufficient wastewater capacity.
(ii) The unit does not exceed 30 percent of the total habitable floor
area of the single-family dwelling or 900 square feet, whichever is greater.
* * *
(H) No bylaw shall have the effect of prohibiting or penalizing a
hotel from renting rooms to provide housing assistance through the State of

Vermont's General Assistance program, or to any person whose room is rented

1	with public funds. In this subsection, the term "hotel" has the same meaning
2	as in 32 V.S.A. 9202(3).
3	* * *
4	(12) In any area served by municipal sewer and water infrastructure that
5	allows residential development, bylaws shall establish lot and building
6	dimensional standards that allow five or more dwelling units per acre for each
7	allowed residential use, and density standards for multiunit dwellings shall not
8	be more restrictive than those required for single-family dwellings.
9	(13) In any area served by municipal sewer and water infrastructure that
10	allows residential development, bylaws shall permit any affordable housing
11	development, as defined in subdivision 4303(2) of this title, including mixed-
12	use development, to exceed density limitations for residential developments by
13	an additional 40 percent, which shall include exceeding maximum height
14	limitations by one floor, provided that the structure complies with the Vermont
15	Fire and Building Safety Code.
16	Sec. 3. 24 V.S.A. § 4413 is amended to read:
17	§ 4413. LIMITATIONS ON MUNICIPAL BYLAWS
18	(a)(1) The following uses may be regulated only with respect to location,
19	size, height, building bulk, yards, courts, setbacks, density of buildings, off-
20	street parking, loading facilities, traffic, noise, lighting, landscaping, and

1	screening requirements, and only to the extent that regulations do not have the
2	effect of interfering with the intended functional use:
3	(A) State- or community-owned and operated -operated institutions
4	and facilities;
5	(B) public and private schools and other educational institutions
6	certified by the Agency of Education;
7	(C) churches and other places of worship, convents, and parish
8	houses;
9	(D) public and private hospitals;
10	(E) regional solid waste management facilities certified under 10
11	V.S.A. chapter 159;
12	(F) hazardous waste management facilities for which a notice of
13	intent to construct has been received under 10 V.S.A. § 6606a; and
14	(G) emergency shelters.
15	(2) Except for State-owned and -operated institutions and facilities, a
16	municipality may regulate each of the land uses listed in subdivision (1) of this
17	subsection for compliance with the National Flood Insurance Program and for
18	compliance with a municipal ordinance or bylaw regulating development in a
19	flood hazard area or river corridor, consistent with the requirements of
20	subdivision 2291(25) and section 4424 of this title. These regulations shall not
21	have the effect of interfering with the intended functional use.

1	(3) For purposes of this subsection, regulating the daily or seasonal
2	hours of operation of an emergency shelter shall constitute interfering with the
3	intended functional use.
4	* * *
5	Sec. 4. 24 V.S.A. § 4303 is amended to read:
6	§ 4303. DEFINITIONS
7	The following definitions shall apply throughout this chapter unless the
8	context otherwise requires:
9	* * *
10	(38) "Accessory dwelling unit" means a distinct unit that is clearly
11	subordinate to a single-family dwelling and has facilities and provisions for
12	independent living, including sleeping, food preparation, and sanitation,
13	provided there is compliance with all the following:
14	(A) the property has sufficient wastewater capacity; and
15	(B) the unit does not exceed 30 percent of the total habitable floor
16	area of the single-family dwelling or 900 square feet, whichever is greater.
17	(39) "Duplex" means a residential building that has two dwelling units
18	in the same building and neither unit is an accessory dwelling unit.
19	(40) "Emergency shelter" means any facility, the primary purpose of
20	which is to provide a temporary shelter for the homeless in general or for

1	specific populations of the homeless and that does not require occupants to
2	sign leases or occupancy agreements.
3	(41) "Multiunit or multifamily dwelling" means a building that contains
4	three or more dwelling units in the same building.
5	(42)(A) An area "served by municipal sewer and water infrastructure"
6	means:
7	(i) an area where residential connections and expansions are
8	available to municipal water and direct and indirect discharge wastewater
9	systems and not prohibited by:
10	(I) State regulations or permits;
11	(II) identified capacity constraints; or
12	(III) municipally adopted service and capacity agreements; or
13	(ii) an area established by the municipality by ordinance or bylaw
14	where residential connections and expansions are available to municipal water
15	and direct and indirect discharge wastewater systems and which may exclude:
16	(I) flood hazard or inundation areas as established by statute,
17	river corridors or fluvial erosion areas as established by statute, shorelands,
18	areas within a zoning district or overlay district the purpose of which is natural
19	resource protection, and wherever year-round residential development is not
20	allowed;

1	(II) areas with identified service limits established by State
2	regulations or permits, identified capacity constraints, or municipally adopted
3	service and capacity agreements;
4	(III) areas served by sewer and water to address an identified
5	community-scale public health hazard or environmental hazard;
6	(IV) areas serving a mobile home park that is not within an area
7	planned for year-round residential growth;
8	(V) areas serving an industrial site or park;
9	(VI) areas where service lines are located to serve the areas
10	described in subdivisions (III)–(V) of this subdivision (ii), but no connections
11	or expansions are permitted; or
12	(VII) areas that, through an approved Planned Unit
13	Development under section 4417 of this title or Transfer of Development
14	Rights under section 4423 of this title, prohibit year-round residential
15	development.
16	(B) Municipally adopted areas served by municipal sewer and water
17	infrastructure that limit sewer and water connections and expansions shall not
18	result in the unequal treatment of housing by discriminating against a year-
19	round residential use or housing type otherwise allowed in this chapter.

1	Sec. 5. 24 V.S.A. § 4441 is amended to read:
2	§ 4441. PREPARATION OF BYLAWS AND REGULATORY TOOLS;
3	AMENDMENT OR REPEAL
4	* * *
5	(c) When considering an amendment to a bylaw, the planning commission
6	shall prepare and approve a written report on the proposal. A single report
7	may be prepared so as to satisfy the requirements of this subsection concerning
8	bylaw amendments and subsection 4384(c) of this title concerning plan
9	amendments. The Department of Housing and Community Development shall
10	provide all municipalities with a form for this report. The report shall provide
11	a brief explanation of the proposed bylaw, amendment, or repeal and shall
12	include a statement of purpose as required for notice under section 4444 of this
13	title, and shall include findings regarding how the proposal:
14	(1) Conforms conforms with or furthers the goals and policies contained
15	in the municipal plan, including the effect of the proposal on the availability of
16	safe and affordable housing, and sections 4412, 4413, and 4414 of this title;
17	(2) Is \underline{is} compatible with the proposed future land uses and densities of
18	the municipal plan-; and
19	(3) Carries carries out, as applicable, any specific proposals for any
20	planned community facilities.

* * *

1	(h) Upon adoption or amendment of a bylaw, the planning commission
2	shall prepare an adoption report in form and content provided by the
3	Department of Housing and Community Development that:
4	(1) confirms that zoning districts' GIS data has been submitted to the
5	Department and that the data complies with the Vermont Zoning GIS Data
6	Standard adopted pursuant to 10 V.S.A. § 123;
7	(2) confirms that the complete bylaw has been uploaded to the
8	Municipal Plan and Bylaw Database;
9	(3) demonstrates conformity with sections 4412, 4413, and 4414 of this
10	title; and
11	(4) provides information on the municipal application of subchapters 7
12	(bylaws), 9 (administration), and 10 (panels) of this chapter for the Municipal
13	Planning Data Center and the prospective development of a statewide zoning
14	<u>atlas.</u>
15	Sec. 6. 24 V.S.A. § 4465 is amended to read:
16	§ 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER
17	(a) An interested person may appeal any decision or act taken by the
18	administrative officer in any municipality by filing a notice of appeal with the
19	secretary of the board of adjustment or development review board of that
20	municipality or with the clerk of that municipality if no such secretary has been
21	elected. This notice of appeal must be filed within 15 days of following the

21

1	date of that decision or act, and a copy of the notice of appeal shall be filed
2	with the administrative officer.
3	(b) For the purposes of As used in this chapter, an "interested person"
4	means any one of the following:
5	(1) A person owning title to property, or a municipality or solid waste
6	management district empowered to condemn it or an interest in it, affected by a
7	bylaw, who alleges that the bylaw imposes on the property unreasonable or
8	inappropriate restrictions of present or potential use under the particular
9	circumstances of the case.
10	(2) The municipality that has a plan or a bylaw at issue in an appeal
11	brought under this chapter or any municipality that adjoins that municipality.
12	(3) A person owning or occupying property in the immediate
13	neighborhood of a property that is the subject of any decision or act taken
14	under this chapter, who can demonstrate a physical or environmental impact on
15	the person's interest under the criteria reviewed, and who alleges that the
16	decision or act, if confirmed, will not be in accord with the policies, purposes,
17	or terms of the plan or bylaw of that municipality.
18	(4) Any ten 10 persons who may be any combination of voters,
19	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

1	brought under this title, allege that any relief requested by a person under this
2	title, if granted, will not be in accord with the policies, purposes, or terms of
3	the plan or bylaw of that municipality. This petition to the appropriate
4	municipal panel must designate one person to serve as the representative of the
5	petitioners regarding all matters related to the appeal. For purposes of this
6	subdivision, an appeal shall not include the character of the area affected if the
7	project has a residential component that includes affordable housing.
8	(5) Any department and administrative subdivision of this State owning
9	property or any interest in property within a municipality listed in subdivision
10	(2) of this subsection, and the Agency of Commerce and Community
11	Development of this State.
12	* * *
13	* * * Subdivisions * * *
14	Sec. 7. 24 V.S.A. § 4463 is amended to read:
15	§ 4463. SUBDIVISION REVIEW
16	(a) Approval of plats. Before any a plat for a major subdivision is
17	approved, a public hearing on the plat shall be held by the appropriate
18	municipal panel after public notice. A bylaw may provide for the
19	administrative officer to approve minor subdivisions. A copy of the notice
20	shall be sent to the clerk of an adjacent municipality, in the case of a plat

located within 500 feet of a municipal boundary, at least 15 days prior to the public hearing.

- (b) Plat; record. The approval of the appropriate municipal panel or administrative officer, if the bylaws provide for their approval of minor subdivisions, shall expire 180 days from that approval or certification unless, within that 180-day period, that plat shall have been duly filed or recorded in the office of the clerk of the municipality. After an approved plat or certification by the clerk is filed, no expiration of that approval or certification shall be applicable.
- (1) The bylaw may allow the administrative officer to extend the date for filing the plat by an additional 90 days, if final local or State permits or approvals are still pending.
- (2) No plat showing a new street or highway may be filed or recorded in the office of the clerk of the municipality until it has been approved by the appropriate municipal panel, or administrative officer if allowed under the bylaws, pursuant to subsection (a) of this section, and that approval is endorsed in writing on the plat, or the certificate of the clerk of the municipality showing the failure of the appropriate municipal panel to take action within the 45-day period is attached to the plat and filed or recorded with the plat. After that filing or recording, the plat shall be a part of the official map of the municipality.

1	* * *
2	Sec. 8. 24 V.S.A. § 4418 is amended to read:
3	§ 4418. SUBDIVISION BYLAWS
4	* * *
5	(2) Subdivision bylaws may include:
6	(A) Provisions provisions allowing the appropriate municipal panel
7	to waive or modify, subject to appropriate conditions, the provision of any or
8	all improvements and requirements as in its judgment of the special
9	circumstances of a particular plat or plats are not requisite in the interest of the
10	public health, safety, and general welfare, or are inappropriate because of
11	inadequacy or lack of connecting facilities adjacent or in proximity to the
12	subdivision-:
13	(B) Procedures procedures for conceptual, preliminary, partial, and
14	other reviews preceding submission of a subdivision plat, including any
15	administrative reviews-;
16	(C) Specific specific development standards to promote the
17	conservation of energy or to permit the utilization of renewable energy
18	resources, or both-;
19	(D) State standards and criteria under 10 V.S.A. § 6086(a); and
20	(E) provisions to allow the administrative officer to approve minor
21	subdivisions.

1	* * * Appeals * * *
2	Sec. 9. 24 V.S.A. § 4471 is amended to read:
3	§ 4471. APPEAL TO ENVIRONMENTAL DIVISION
4	* * *
5	(e) Neighborhood development area Designated areas. Notwithstanding
6	subsection (a) of this section, a determination by an appropriate municipal
7	panel that a residential development will not result in an undue adverse effect
8	on the character of the area affected shall not be subject to appeal if the
9	determination is that a proposed residential development seeking conditional
10	use approval under subdivision 4414(3) of this title is within a designated
11	downtown development district, designated growth center, designated Vermont
12	neighborhood, or designated neighborhood development area seeking
13	conditional use approval will not result in an undue adverse effect on the
14	character of the area affected under subdivision 4414(3) of this title. Other
15	elements of the determination made by the appropriate municipal panel may be
16	appealed.
17	* * * By Right * * *
18	Sec. 10. 24 V.S.A. § 4464(b) is amended to read:
19	(b) Decisions.
20	* * *

1	(7)(A) A decision rendered by the appropriate municipal panel for a
2	housing development or the housing portion of a mixed-use development shall
3	not:
4	(i) require a larger lot size than the minimum as determined in the
5	municipal bylaws;
6	(ii) require more parking spaces than the minimum as determined
7	in the municipal bylaws and in section 4414 of this title;
8	(iii) limit the building size to less than that allowed in the
9	municipal bylaws, including reducing the building footprint or height;
10	(iv) limit the density of dwelling units to below that allowed in the
11	municipal bylaws; and
12	(v) otherwise disallow a development to abide by the minimum or
13	maximum applicable municipal standards.
14	(B) However, a decision may require adjustments to the applicable
15	municipal standards listed in subdivision (A) of this subdivision (7) if the panel
16	or officer issues a written finding stating:
17	(i) why the modification is necessary to comply with a
18	prerequisite State or federal permit, municipal permit, or a nondiscretionary
19	standard in a bylaw or ordinance, including requirements related to wetlands,
20	setbacks, and flood hazard areas and river corridors; and

1	(ii) how the identified restrictions do not result in an unequal
2	treatment of housing or an unreasonable exclusion of housing development
3	otherwise allowed by the bylaws.
4	Sec. 11. 24 V.S.A. § 4348a is amended to read:
5	§ 4348a. ELEMENTS OF A REGIONAL PLAN
6	(a) A regional plan shall be consistent with the goals established in section
7	4302 of this title and shall include the following:
8	* * *
9	(9) A housing element that identifies the <u>regional and community-level</u>
10	need for housing for all economic groups in the region and communities. In
11	establishing the identified need, due consideration shall be given to that will
12	result in an adequate supply of building code and energy code compliant
13	homes where most households spend not more than 30 percent of their income
14	on housing and not more than 15 percent on transportation. To establish
15	housing needs, the Department of Housing and Community Development shall
16	publish statewide and regional housing targets or ranges as part of the
17	Statewide Housing Needs Assessment. The regional planning commission
18	shall consult the Statewide Housing Needs Assessment; current and expected
19	demographic data; the current location, quality, types, and cost of housing;
20	other local studies related to housing needs; and data gathered pursuant to
21	subsection 4382(c) of this title. If no such data has been gathered, the regional

1	planning commission shall gather it. <u>The regional planning commission's</u>
2	assessment shall estimate the total needed housing investments in terms of
3	price, quality, unit size or type, and zoning district as applicable and shall
4	disaggregate regional housing targets or ranges by municipality. The housing
5	element shall include a set of recommended actions to satisfy the established
6	needs.
7	* * *
8	Sec. 12. 24 V.S.A. § 4382 is amended to read:
9	§ 4382. THE PLAN FOR A MUNICIPALITY
10	(a) A plan for a municipality may shall be consistent with the goals
11	established in section 4302 of this title and compatible with approved plans of
12	other municipalities in the region and with the regional plan and shall include
13	the following:
14	* * *
15	(10) A housing element that shall include a recommended program for
16	addressing low and moderate income persons' public and private actions to
17	address housing needs as identified by the regional planning commission
18	pursuant to subdivision 4348a(a)(9) of this title. The program should use data
19	on year-round and seasonal dwellings and include specific actions to address
20	the housing needs of persons with low income and persons with moderate

income and account for permitted accessory dwelling units, as defined in

I	subdivision 4412(1)(E) of this title, which provide affordable housing
2	residential development as described in section 4412 of this title.
3	* * *
4	Sec. 13. 24 V.S.A. § 4442 is amended to read:
5	§ 4442. ADOPTION OF BYLAWS AND RELATED REGULATORY
6	TOOLS; AMENDMENT OR REPEAL
7	* * *
8	(c) Routine adoption.
9	(1) A bylaw, bylaw amendment, or bylaw repeal shall be adopted by a
10	majority of the members of the legislative body at a meeting that is held after
11	the final public hearing, and shall be effective 21 days after adoption unless, by
12	action of the legislative body, the bylaw, bylaw amendment, or bylaw repeal is
13	warned for adoption by the municipality by Australian ballot at a special or
14	regular meeting of the municipality.
15	(2) However, a rural town as defined in section 4303 of this chapter, by
16	vote of that town at a special or regular meeting duly warned on the issue, may
17	elect to require that bylaws, bylaw amendments, or bylaw repeals shall be
18	adopted by vote of the town by Australian ballot at a special or regular meeting
19	duly warned on the issue. That procedure shall then apply until rescinded by
20	the voters at a regular or special meeting of the town.
21	* * *

1	Sec. 14. 24 V.S.A. § 4306 is amended read:
2	§ 4306. MUNICIPAL AND REGIONAL PLANNING FUND
3	* * *
4	(b)(1) Allocations for performance contract funding to regional planning
5	commissions shall be determined according to a formula to be adopted by rule
6	under 3 V.S.A. chapter 25 by the Department for the assistance of the regional
7	planning commissions. Disbursement of funding to regional planning
8	commissions shall be predicated upon meeting performance goals and targets
9	pursuant to the terms of the performance contract.
10	(2) Disbursement to municipalities shall be awarded annually on or
11	before December 31 through a competitive program administered by the
12	Department providing the opportunity for any eligible municipality or
13	municipalities to compete regardless of size, provided that to receive funds, a
14	municipality:
15	(A) shall be confirmed under section 4350 of this title; or
16	(B)(i) shall use the funds for the purpose of developing a municipal
17	plan to be submitted for approval by the regional planning commission, as
18	required for municipal confirmation under section 4350 of this title; and
19	(ii) shall have voted at an annual or special meeting to provide
20	local funds for municipal 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) 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 4307.
* * *
(d) New funds allocated to municipalities under this section may take the
form of Municipal Bylaw Modernization Grants in accordance with section
4307 of this title.
* * * Regional Planning * * *
Sec. 15. REGIONAL PLANNING REPORT
(a) On or before December 15, 2023, the Vermont Association of Planning
and Development Agencies shall report on statutory recommendations to better
integrate and implement municipal, regional, and State plans, policies, and
investments by focusing on regional future land use maps and policies. In the
process of creating the Regional Planning Report, the Vermont Association of

1	Planning and Development Agencies shall consider possible new methods of
2	public engagement that promote equity and expand opportunity for meaningful
3	participation by impacted communities in the decisions affecting their physical
4	and social environment.
5	(b) The recommendations shall address how to accomplish the following:
6	(1) Aligning policies and implementation between municipalities,
7	regional planning commissions, and State entities to better address climate
8	change, climate resiliency, natural resources, housing, transportation,
9	economic development, other social determinants of health, and other place-
10	based issues.
11	(2) Building upon municipal and regional enhanced energy plans and
12	their implementation.
13	(3) Evaluating place-based policy and project decisions by the State,
14	regional planning commissions, and municipalities related to implementing
15	regional future land use maps and policies and recommending changes to
16	which of those governmental levels those decisions should occur, if necessary.
17	(4) Ensuring that State agency investment and policy decisions that
18	relate to land development are consistent with regional and local plans. The
19	investments assessed should include, at a minimum:
20	(A) drinking water;
21	(B) wastewater;

1	(C) stormwater;
2	(D) transportation;
3	(E) community and economic development;
4	(F) housing;
5	(G) energy; and
6	(H) telecommunications.
7	(5) Achieving statewide consistency of future land use maps and
8	policies to better support Act 250 and 30 V.S.A. § 248.
9	(6) How Act 250 and 30 V.S.A. § 248 could better support
10	implementation of regional future land use maps and policies.
11	(7) Better support implementation of regional future land use maps and
12	policies in the State designation program under 24 V.S.A. chapter 76A.
13	(8) Improving the quality and effectiveness of future land use maps in
14	regional and municipal plans through changes to 24 V.S.A. chapter 117
15	including:
16	(A) future land use map area delineations, definitions, statements,
17	and policies;
18	(B) existing settlement definitions and their relationship to future
19	land use maps;
20	(C) the role of regional plans in the review and approval of municipal
21	plans and planning processes; and

1	(D) a review mechanism to ensure bylaws are consistent with
2	municipal plans.
3	(c) The report should also discuss how best to implement the
4	recommendations, including the following:
5	(1) how best to phase in the recommendations;
6	(2) how to establish a mechanism for the independent review of regional
7	plans to ensure consistency with statutory requirements;
8	(3) what guidance and training will be needed to implement the
9	recommendations; and
10	(4) what incentives and accountability mechanisms are necessary to
11	accomplish these changes at all levels of government.
12	(d) The Vermont Association of Planning and Development Agencies shall
13	consult with the Agency of Transportation, the Agency of Natural Resources,
14	the Agency of Commerce and Community Development, the Department of
15	Public Service, Vermont Emergency Management, the Natural Resources
16	Board, the regional development corporations, the Vermont League of Cities
17	and Towns, statewide environmental organizations, and other interested parties
18	in developing the report and shall summarize comments.
19	(e) On or before December 15, 2023, the Vermont Association of Planning
20	and Development Agencies shall submit the report to the following
21	committees: the Senate Committees on Economic Development. Housing and

1	General Affairs, on Government Operations, on Natural Resources and
2	Energy, and on Transportation and the House Committees on Commerce and
3	Economic Development, on Environment and Energy, on General and
4	Housing, on Government Operations and Military Affairs, and on
5	Transportation.
6	(f) The Vermont Association of Planning and Development Agencies shall
7	be funded in fiscal year 2023 and fiscal year 2024 for this study through the
8	regional planning grant established in 24 V.S.A. § 4306.
9	Sec. 15a. HOUSING RESOURCE NAVIGATOR FOR REGIONAL
10	PLANNING COMMISSIONS
11	(a) The Vermont Association of Planning and Development Agencies shall
12	hire Housing Resource Navigators to work with municipalities, regional and
13	local housing organizations, and private developers to identify housing
14	opportunities, match communities with funding resources, and provide project
15	management support.
16	(b) The duty to implement this section is contingent upon an appropriation
17	in fiscal year 2024 from the General Fund to the Vermont Association of
18	Planning and Development Agencies for the purpose of hiring the Housing
19	Navigators as described in subsection (a) of this section.

1	* * * Act 250 * * *
2	Sec. 16. 10 V.S.A. § 6001 is amended to read:
3	§ 6001. DEFINITIONS
4	As used in this chapter:
5	* * *
6	(3)(A) "Development" means each of the following:
7	* * *
8	(iv) The construction of housing projects such as cooperatives,
9	condominiums, or dwellings, or construction or maintenance of mobile homes
10	or mobile home parks, with 10 or more units, constructed or maintained on a
11	tract or tracts of land, owned or controlled by a person, within a radius of five
12	miles of any point on any involved land and within any continuous period of
13	five years. However:
14	* * *
15	(xi) Notwithstanding any other provision of law to the contrary,
16	until July 1, 2026, the construction of housing projects such as cooperatives,
17	condominiums, dwellings, or mobile homes, with 25 or more units, constructed
18	or maintained on a tract or tracts of land, located entirely within a designated
19	downtown development district, a designated neighborhood development area,
20	a designated village center with permanent zoning and subdivision bylaws, or a
21	designated growth center, owned or controlled by a person, within a radius of

1	five miles of any point on any involved land and within any continuous period
2	of five years. For purposes of this subsection, the construction of four units or
3	fewer of housing in an existing structure shall only count as one unit towards
4	the total number of units
5	* * *
6	(D) The word "development" does not include:
7	* * *
8	(viii)(I) The construction of a priority housing project in a
9	municipality with a population of 10,000 or more.
10	(II) If the construction of a priority housing project in this
11	subdivision (3)(D)(viii) involves demolition of one or more buildings that are
12	listed or eligible to be listed on the State or National Register of Historic
13	Places, this exemption shall not apply unless the Division for Historic
14	Preservation has made the determination described in subdivision (A)(iv)(I)(ff)
15	of this subdivision (3) and any imposed conditions are enforceable in the
16	manner set forth in that subdivision.
17	(III) Notwithstanding any other provision of law to the
18	contrary, until July 1, 2026, the construction of a priority housing project
19	located entirely within a designated downtown development district,
20	designated neighborhood development area, or a designated growth center.
21	* * *

1	Sec. 16a. ACT 250 EXEMPTION REQUIREMENTS
2	In order to qualify for the exemptions established in 10 V.S.A. § 6001
3	(3)(A)(xi) and (3)(D)(viii)(III), a person shall request a jurisdictional opinion
4	under 10 V.S.A. § 6007 on or before June 30, 2026. The jurisdictional opinion
5	shall require the project to substantially complete construction on or before
6	June 30, 2029 in order to remain exempt.
7	Sec. 17. 10 V.S.A. § 6086b is amended to read:
8	§ 6086b. DOWNTOWN DEVELOPMENT; FINDINGS; MASTER PLAN
9	<u>PERMITS</u>
10	(a) Findings and conclusions. Notwithstanding any provision of this
11	chapter to the contrary, each of the following shall apply to a development or
12	subdivision that is completely within a downtown development district
13	designated under 24 V.S.A. chapter 76A and for which a permit or permit
14	amendment would otherwise be required under this chapter:
15	(1) In lieu of obtaining a permit or permit amendment, a person may
16	request findings and conclusions from the District Commission, which shall
17	approve the request if it finds that the development or subdivision will meet
18	subdivisions 6086(a)(1) (air and water pollution), (2) (sufficient water
19	available), (3) (burden on existing water supply), (4) (soil erosion), (5)
20	(traffic), (8) (aesthetics, historic sites, rare and irreplaceable natural areas),
21	(8)(A) (endangered species; necessary wildlife habitat), (9)(B) (primary

1	agricultural soils), (9)(C) (productive forest soils), (9)(F) (energy
2	conservation), and (9)(K) (public facilities, services, and lands) of this title.
3	* * *
4	(b) Master plan permits.
5	(1) Any municipality within which a downtown development district or
6	neighborhood development area has been formally designated pursuant to
7	24 V.S.A. chapter 76A may apply to the District Commission for a master plan
8	permit for that area or any portion of that area pursuant to the rules of the
9	Board. Municipalities making an application under this subdivision are not
10	required to exercise ownership of or control over the affected property.
11	(2) Subsequent development of an individual lot within the area of the
12	master plan permit that requires a permit under this chapter shall take the form
13	of a permit amendment.
14	(3) In neighborhood development areas, subsequent master plan permit
15	amendments shall only be issued for development that is housing.
16	(4) In approving a master plan permit and amendments, the District
17	Commission may include specific conditions that an applicant for an individual
18	project permit shall be required to meet.
19	(5) For a master plan permit issued pursuant to this section, an
20	application for an amendment may use the findings issued in the master plan

1	permit as a reduttable presumption to comply within any applicable criteria
2	under subsection 6086(a) of this title.
3	Sec. 18. 10 V.S.A. § 6083a is amended to read:
4	§ 6083a. ACT 250 FEES
5	(a) All applicants for a land use permit under section 6086 of this title shall
6	be directly responsible for the costs involved in the publication of notice in a
7	newspaper of general circulation in the area of the proposed development or
8	subdivision and the costs incurred in recording any permit or permit
9	amendment in the land records. In addition, applicants shall be subject to each
10	of the following fees for the purpose of compensating the State of Vermont for
11	the direct and indirect costs incurred with respect to the administration of the
12	Act 250 program:
13	(1) For <u>applications for</u> projects involving construction, \$6.65 for each
14	\$1,000.00 of the first \$15,000,000.00 of construction costs, and \$3.12 for each
15	\$1,000.00 of construction costs above \$15,000,000.00. An additional \$0.75
16	for each \$1,000.00 of the first \$15,000,000.00 of construction costs shall be
17	paid to the Agency of National Natural Resources to account for the Agency of
18	Natural Resources' review of Act 250 applications.
19	(2) For <u>applications for</u> projects involving the creation of lots, \$125.00
20	for each lot.

(3) For <u>applications for</u> projects involving exploration for or removal of
oil, gas, and fissionable source materials, a fee as determined under
subdivision (1) of this subsection or \$1,000.00 for each day of Commission
hearings required for such projects, whichever is greater.

- (4) For applications for projects involving the extraction of earth resources, including sand, gravel, peat, topsoil, crushed stone, or quarried material, the greater of: a fee as determined under subdivision (1) of this subsection; or a fee equivalent to the rate of \$0.02 per cubic yard of the first million cubic yards of the total volume of earth resources to be extracted over the life of the permit, and \$.01 per cubic yard of any such earth resource extraction above one million cubic yards. Extracted material that is not sold or does not otherwise enter the commercial marketplace shall not be subject to the fee. The fee assessed under this subdivision for an amendment to a permit shall be based solely upon any additional volume of earth resources to be extracted under the amendment.
- (5) For <u>applications for projects</u> involving the review of a master plan, a fee equivalent to \$0.10 per \$1,000.00 of total estimated construction costs in current dollars in addition to the fee established in subdivision (1) of this subsection for any portion of the project seeking construction approval.
 - (6) In no event shall a permit application fee exceed \$165,000.00.

1	(b) Notwithstanding the provisions of subsection (a) of this section, there
2	shall be a minimum fee of \$187.50 for original applications and \$62.50 for
3	amendment applications, in addition to publication and recording costs. These
4	costs shall be in addition to any other fee established by statute, unless
5	otherwise expressly stated. <u>In addition, in no event shall the fee for an</u>
6	individual permit or permit amendment application, including each individual
7	permit or permit amendment application seeking approval for any portion of a
8	project involving a master plan, exceed \$165,000.00.
9	* * *
10	Sec. 18a. REPORT; ACT 250 MUNICIPAL DELEGATION
11	(a) The Vermont Association of Planning and Development Agencies, in
12	consultation with the Natural Resources Board, shall develop a proposed
13	framework for delegating administration of Act 250 permits to municipalities.
14	They shall consult with other relevant stakeholders, including those with
15	experience issuing Act 250 permits under 10 V.S.A. chapter 151,
16	environmental organizations, State agencies, and municipal planning and
17	zoning officials. Each regional planning commission shall hold one public
18	meeting on the framework.
19	(b) On or before December 31, 2023, the Vermont Association of Planning
20	and Development Agencies shall report to the House Committee on
21	Environment and Energy and the Senate Committee on Natural Resources and

1	Energy on the proposed framework to delegate Act 250 permit administration
2	to municipalities.
3	Sec. 19. 2022 Acts and Resolves No. 182, Sec. 41 is amended to read:
4	Sec. 41. REPORT; NATURAL RESOURCES BOARD
5	(a) On or before December 31, 2023, the Chair of the Natural Resources
6	Board shall report to the House Committees on Natural Resources, Fish, and
7	Wildlife Environment and Energy and on Ways and Means and the Senate
8	Committees on Finance and on Natural Resources and Energy on necessary
9	updates to the Act 250 program.
10	(b) The report shall include:
11	(1) How to transition to a system in which Act 250 jurisdiction is based
12	on location, which shall encourage development in designated areas; the
13	maintenance of intact rural working lands; and the protection of natural
14	resources of statewide significance, including biodiversity. Location-based
15	jurisdiction would adjust the threshold for Act 250 jurisdiction based on the
16	characteristics of the location. This section of the report shall consider whether
17	to develop thresholds and tiers of jurisdiction as recommended in the
18	Commission on Act 250: the Next 50 Years Report.
19	(2) How to use the Capability and Development Plan to meet the
20	statewide planning goals.

1	(3) An assessment of the current level of staffing of the Board and
2	District Commissions, including whether there should be a district coordinator
3	located in every district.
4	(4) Whether the permit fees are sufficient to cover the costs of the
5	program and, if not, a recommendation for a source of revenue to supplement
6	the fees.
7	(5) Whether the permit fees are effective in providing appropriate
8	incentives.
9	(6) Whether the Board should be able to assess its costs on applicants.
10	(7) Whether increasing jurisdictional thresholds for housing
11	development to 25 units under 10 V.S.A. § 6001(3)(A)(iv) would affect
12	housing affordability, especially for primary homeownership, and what the
13	potential impact of increasing those thresholds to 25 units would have on
14	natural and community resources addressed under existing Act 250 criteria.
15	Sec. 19a. 2022 Acts and Resolves No. 182, Sec. 40 is amended to read:
16	Sec. 40. DESIGNATED AREA REPORT; APPROPRIATION
17	* * *
18	(3) On or before July 15, 2023, December 31, 2023, the consultant shall
19	submit a written report to the General Assembly with its findings and any
20	recommendations for legislative action.

1	Sec. 19b. 10 V.S.A. § 6081(y) is added to read:
2	(y) No permit or permit amendment is required for a retail electric
3	distribution utility's rebuilding of existing electrical distribution lines and
4	related facilities to improve reliability and service to existing customers,
5	through overhead or underground lines in an existing corridor, road, or State or
6	town road right-of-way. Nothing in this section shall be interpreted to exempt
7	projects under this subsection from other required permits or the conditions on
8	lands subject to existing permits required by this section.
9	Sec. 19c. EXEMPTION REPEAL
10	10 V.S.A. § 6081(y) is repealed on January 1, 2026.
11	Sec. 19d. ELECTRIC DISTRIBUTION UTILITY PROJECT REPORT
12	On or before January 15, 2024, and annually until 2026, any distribution
13	utility that takes an action exempt under 10 V.S.A. § 6081(y) shall report to the
14	House Committee on Environment and Energy and the Senate Committees on
15	Finance and on Natural Resources and Energy on the projects completed
16	pursuant to that exemption in the preceding year. The report shall address: the
17	location of the projects, including whether it is located in a "1-acre town" or a
18	"10-acre town"; how many customers are affected by the project; whether the
19	project involved lines being hardened in place, buried underground, or
20	relocated to the right-of-way; how many poles were removed and how many
21	poles were set; and what permits the projects were required to receive.

1	* * * Covenants * * *
2	Sec. 20. 27 V.S.A. § 545 is amended to read:
3	§ 545. COVENANTS, CONDITIONS, AND RESTRICTIONS OF
4	SUBSTANTIAL PUBLIC INTEREST
5	(a) Deed restrictions, covenants, or similar binding agreements added after
6	March 1, 2021 that prohibit or have the effect of prohibiting land development
7	allowed under 24 V.S.A. § 4412(1)(E) and (2)(A) shall not be valid.
8	(b) Deed restrictions or covenants added after July 1, 2023 shall not be
9	valid if they require a minimum dwelling unit size on the property or more
10	than one parking space per dwelling unit if the property is located in an area
11	served by municipal sewer and water infrastructure as defined in 24 V.S.A.
12	§ 4303 that allows residential uses or more than 1.5 parking spaces for
13	duplexes and multiunit dwellings in areas not served by sewer and water and in
14	areas that are located more than one-quarter mile away from public parking
15	rounded up to the nearest whole number when calculating the total number of
16	spaces.
17	(c) This section shall not affect the enforceability of any property interest
18	held in whole or in part by a qualified organization or State agency as defined
19	in 10 V.S.A. § 6301a, including any restrictive easements, such as
20	conservation easements and historic preservation rights and interests defined in
21	10 V.S.A. § 822. This section shall not affect the enforceability of any

1	property interest that is restricted by a housing subsidy covenant as defined by
2	section 610 of this title and held in whole or in part by an eligible applicant as
3	defined in 10 V.S.A. § 303(4) or the Vermont Housing Finance Agency.
4	* * * Road Disclosure * * *
5	Sec. 21. 27 V.S.A. § 617 is added to read:
6	§ 617. DISCLOSURE OF CLASS 4 ROAD
7	(a) Disclosure of maintenance on class 4 highway. Any property owner
8	who sells property located on a class 4 highway or legal trail shall disclose to
9	the buyer that the municipality is not required to maintain the highway or trail
10	as described in 19 V.S.A. § 310.
11	(b) Marketability of title. Noncompliance with the requirements of this
12	section shall not affect the marketability of title of a property.
13	* * * Building Energy Code Study Committee * * *
14	Sec. 22. FINDINGS
15	The General Assembly finds that:
16	(1) Vermont established the Residential Building Energy Standards
17	(RBES) in 1997 and the Commercial Building Energy Standards (CBES) in
18	2007. The Public Service Department is responsible for adopting and updating
19	these codes regularly but does not have the capacity to administer or enforce
20	them.

1	(2) The RBES and CBES are mandatory, but while municipalities with
2	building departments handle some aspects of review and inspection, there is no
3	State agency or office designated to interpret, administer, and enforce them.
4	(3) The Division of Fire Safety in the Department of Public Safety is
5	responsible for development, administration, and enforcement of building
6	codes but does not currently have expertise or capacity to add administration or
7	enforcement of energy codes in buildings.
8	(4) Studies in recent years show compliance with the RBES at about
9	54 percent and CBES at about 87 percent, with both rates declining. Both
10	codes are scheduled to become more stringent with the goal of "net-zero
11	ready" by 2030.
12	(5) In December 2022, the U.S. Department of Energy issued the
13	Bipartisan Infrastructure Law: Resilient and Efficient Codes Implementation
14	Funding Opportunity Announcement. The first \$45 million of a five-year \$225
15	million program is available in 2023. Vermont's increased code compliance
16	plans should include contingencies for this potential funding.
17	Sec. 23. ENERGY CODE COMPLIANCE; STUDY COMMITTEE
18	(a) Creation. There is created the Building Energy Code Study Committee
19	to recommend strategies for increasing compliance with the Residential
20	Building Energy Standards (RBES) and Commercial Building Energy
21	Standards (CBES).

1	(b) Membership. The Committee shall have 15 members with applicable
2	expertise, to include program design and implementation, building code
3	administration and enforcement, and Vermont's construction industry. The
4	Speaker of the House shall appoint three members, including up to one
5	legislator. The Committee on Committees shall appoint two members,
6	including up to one legislator. The remaining members shall be the following
7	(1) the Commissioner of Public Service or designee;
8	(2) the Director of Fire Safety or designee;
9	(3) a representative of Efficiency Vermont;
10	(4) a representative of American Institute of Architects-Vermont;
11	(5) a representative of the Vermont Builders and Remodelers
12	Association;
13	(6) a representative the Burlington Electric Department;
14	(7) a representative of Vermont Gas Systems;
15	(8) a representative of the Association of General Contractors of
16	<u>Vermont</u> ;
17	(9) a representative of the Vermont League of Cities and Towns; and
18	(10) a representative from a regional planning commission.
19	(c) Powers and duties. The Committee shall:
20	(1) consider and recommend strategies to increase awareness of and
21	compliance with the RBES and CBES, including the potential designation of

1	the Division of Fire Safety (DFS) in the Department of Public Safety as the
2	statewide authority having jurisdiction for administration, interpretation, and
3	enforcement, in conjunction with DFS' existing jurisdiction, over building
4	codes;
5	(2) evaluate current cost-effectiveness analyses for the RBES and the
6	CBES, whether they include or should include nonenergy benefits such as
7	public health benefits and the cost of carbon, and how that impacts the
8	affordability of housing projects and provide recommendations; and
9	(3) assess how the building energy codes interact with the fire and
10	building safety codes.
11	(d) Assistance. The Committee shall have the administrative, technical,
12	and legal assistance of the Department of Public Service. The Department
13	shall hire a third-party consultant to assist and staff the Committee, which may
14	be funded by monies appropriated by the General Assembly or any grant
15	funding received.
16	(e) Report. On or before December 1, 2023, the Committee shall submit a
17	written report to the General Assembly with its findings and recommendations
18	for legislative action.
19	(f) Meetings.
20	(1) The Department of Public Service shall call the first meeting of the
21	Committee to occur on or before July 15, 2023.

1	(2) The Committee shall elect a chair from among its members at the
2	first meeting.
3	(3) A majority of the membership shall constitute a quorum.
4	(4) The final meeting shall be held on or before October 31, 2023. The
5	Committee shall cease to exist on December 1, 2023.
6	(g) Compensation and reimbursement.
7	(1) For attendance at meetings during adjournment of the General
8	Assembly, a legislative member of the Committee serving in the legislator's
9	capacity as a legislator shall be entitled to per diem compensation and
10	reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six
11	meetings.
12	(2) Other members of the Committee who are not otherwise
13	compensated by their employer shall be entitled to per diem compensation and
14	reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more
15	than six meetings.
16	(3) The payments under this subsection (g) shall be made from monies
17	appropriated by the General Assembly or any grant funding received.
18	Sec. 24. RURAL RECOVERY COORDINATION COUNCIL
19	(a) Goals. The Rural Recovery Coordination Council is created to study
20	and make recommendations on how to strengthen coordination between
21	agencies and stakeholders involved in rural community development.

1	(b) Purposes. The Council shall consider and identify strategies to:
2	(1) prioritize areas of investment into Vermont's rural communities in
3	order to ensure necessary resources to meet Vermont's climate goals, rural
4	community development objectives, and environmental sustainability
5	requirements;
6	(2) build long-term emergency and disaster preparedness and recovery;
7	(3) ensure intergovernmental and regional communications and
8	coordination; and
9	(4) improve access to technical assistance and support from regional and
10	statewide agencies and programs.
11	(c) Powers and duties. The Council shall identify structural changes and
12	improve coordination across all levels of government to support rural
13	community development, including addressing the following issues:
14	(1) a permanent structure for ensuring rural community development
15	programming within State government;
16	(2) how to better include rural voices in regional collaboration and
17	prioritization projects;
18	(3) how municipal, regional, and State plans, policies, and investments
19	can be integrated and mutually supportive;
20	(4) where to establish an office of Rural Community Development and
21	how long the office should be authorized for; and

1	(5) how to support capacity at the municipal level and how to support
2	multitown coordination and collaboration.
3	(d) Report. On or before December 15, 2023, the Council shall report to
4	the General Assembly and to the Agency of Administration with its findings,
5	recommendations, and draft legislation.
6	(e) Members. The Council shall comprise the following members:
7	(1) the Vermont Chief Performance Officer or designee;
8	(2) the Secretary of Commerce and Community Development or
9	designee;
10	(3) the Commissioner of Public Service or designee;
11	(4) the Secretary of Transportation or designee;
12	(5) the Director of Racial Equity or designee;
13	(6) one or more representatives from the regional planning commissions
14	appointed by the Vermont Association of Planning and Development
15	Agencies;
16	(7) one or more representatives from the regional development
17	corporations appointed by the Regional Development Corporations of
18	Vermont;
19	(8) the Executive Director of the Vermont League of Cities and Towns
20	or designee;

1	(9) a member, appointed by the Vermont Communications Union
2	Districts Association:
3	(10) the Secretary of Natural Resources or designee;
4	(11) a member, appointed by the University of Vermont Office of
5	Engagement;
6	(12) a member, appointed by the Vermont Housing and Conservation
7	Board;
8	(13) a member of the House of Representatives, appointed by the
9	Speaker of the House; and
10	(14) a member of the Senate, appointed by the Committee on
11	Committees.
12	(f) Compensation and reimbursement.
13	(1) For attendance at meetings during adjournment of the General
14	Assembly, a legislative member of the Council shall be entitled to per diem
15	compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23.
16	(2) Other members of the Council shall be entitled to per diem
17	compensation and reimbursement of expenses as permitted under 32 V.S.A.
18	<u>§ 1010.</u>
19	(g) Meetings; administration.
20	(1) The Council shall meet at least five times and take testimony from a
21	variety of stakeholders, including from representatives from municipalities of

1	variety of sizes and from those with experience in state land use planning,
2	regional planning, municipal planning, economic planning, or strategic
3	planning.
4	(2) The Vermont Council on Rural Development shall convene the first
5	meeting the Rural Recovery Coordination Council, facilitate the meetings, and
6	provide administrative support.
7	(3) The Committee shall cease to exist on March 31, 2024.
8	(h) The duty to implement this section is contingent upon an appropriation
9	in fiscal year 2024 from the General Fund to the Agency of Commerce and
10	Community Development to provide funding for the Council as follows:
11	(1) an appropriation to the Vermont Council on Rural Development to
12	convene meetings of the Council and provide administrative and policy
13	support; and
14	(2) an appropriation to provide per diem compensation and
15	reimbursement of expenses for members of the Council.
16	Sec. 25. ANR REVIEW OF PERMITTING OF POTABLE WATER AND
17	WASTEWATER CONNECTION PERMITS
18	(a) The Agency of Natural Resources (ANR) shall review the statutory
19	requirements, regulatory requirements, and ANR processes governing ANR's
20	issuance of potable water and wastewater connection permits in order to
21	identify approaches for reducing the administrative burden and costs incurred

I	by municipalities and permit applicants. In conducting its review, ANR shall
2	consult with the Agency of Commerce and Community Development,
3	representatives of municipalities, professional engineers and licensed
4	designers, and environmental organizations regarding alternatives for
5	improving permitting of potable water and wastewater connections.
6	(b) In conducting the review required by this section, ANR shall:
7	(1) review and analyze the permitting standards and permit processes for
8	potable water and wastewater connections in other jurisdictions;
9	(2) identify any State permitting requirements or ANR processes that
10	may be duplicated under State and local permits and propose how to eliminate
11	such redundancies;
12	(3) assess how to simplify and expedite the permitting process for
13	potable water and wastewater connection permits;
14	(4) identify data and document sharing and management solutions for
15	potable water and wastewater connections connection permits, including how
16	to make municipal and State permits available to the public in an electronic
17	format or on a statewide platform; and
18	(5) propose revised criteria for the issuance of potable water and
19	wastewater connections connection permits, including criteria to address public
20	interest, public health and safety, and environmental impacts of connections.

1	(c) ANR shall complete the review required by this section on or before
2	July 1, 2025. The Agency is authorized to implement or revise any permitting
3	processes or criteria that do not require or conflict with statutory or regulatory
4	authority. On or before January 31, 2025, the Agency shall present to the
5	House Committee on Environment and Energy and the Senate Committee on
6	Natural Resources and Energy a written report or oral testimony on the status
7	of the review required under this section, including potential recommended
8	statutory or regulatory changes.
9	Sec. 25a. UTILITY DISCONNECTION; LANDLORD NOTIFICATION;
10	PUBLIC UTILITY COMMISSION; RULEMAKING
11	(a) For the purpose of promoting safety, the protection of property, and
12	providing assistance to tenants, the Public Utility Commission shall revise its
13	rules concerning utility service disconnection to:
14	(1) require that a utility provide notice to the property owner of
15	residential or nonresidential rental property if utility service to the property has
16	been disconnected, even if the tenant is the ratepayer; and
17	(2) allow a utility to disconnect utility service remotely.
18	(b) As used in this section, "utility service" means gas, electric, water, and
19	wastewater service subject to the jurisdiction of the Public Utility Commission.
20	(c) The rules adopted pursuant to subdivision (a)(1) of this section shall:

1	(1) establish the form, content, time, and manner of the notification
2	required by subdivision (a)(1) of this section;
3	(2) include a process whereby a property owner can request that the
4	notification is provided to a property manager or other appropriate third party;
5	<u>and</u>
6	(3) ensure that the notification does not include personal or confidential
7	information pertaining to the tenant or the tenant's account, except that the
8	utility may disclose information necessary to enable the property owner or
9	other applicable third party to reconnect utility service to the property.
10	(d) On or before January 1, 2024, the Public Utility Commission shall
11	submit to the House Committees on General and Housing and on Environment
12	and Energy and the Senate Committees on Economic Development, Housing
13	and General Affairs and on Finance a proposal in the form of draft legislation
14	that incorporates, as the Commission deems appropriate, the rules adopted by
15	the Commission pursuant to this section and that applies to utility
16	disconnections not subject to the jurisdiction of the Commission, including
17	water and sewer service provided by a water or sewer system owned by a
18	municipality, fire district, or private company subject to the uniform water and
19	sewer disconnection requirements in 24 V.S.A. chapter 129.

1	* * * ADU Jurisdiction * * *
2	Sec. 26. 20 V.S.A. § 2730 is amended to read:
3	§ 2730. DEFINITIONS
4	(a) As used in this subchapter, "public building" means:
5	(1)(A) a building owned or occupied by a public utility, hospital, school
6	house of worship, convalescent center or home for elders or persons who have
7	an infirmity or a disability, nursery, kindergarten, or child care;
8	* * *
9	(D) a building in which people rent accommodations, whether
10	overnight or for a longer term;
11	* * *
12	(b) The term "public building" does not include:
13	(1) An owner-occupied single family single-family residence, unless
14	used for a purpose described in subsection (a) of this section.
15	* * *
16	(4) A single family An owner-occupied single-family residence with an
17	accessory dwelling unit as permitted under 24 V.S.A. § 4412(1)(E), unless
18	rented overnight or for a longer term as described in subdivision (1)(D) of
19	subsection (a) of this section.
20	* * *

1	* * * Enforcement * * *
2	Sec. 27. [Deleted.]
3	Sec. 28. 9 V.S.A. § 4507 is amended to read:
4	§ 4507. CRIMINAL PENALTY
5	A person who violates a provision of this chapter shall be fined not more
6	than \$1,000.00 \$10,000.00 per violation.
7	* * * Building Safety * * *
8	Sec. 29. VERMONT FIRE AND BUILDING SAFETY CODE; POTENTIAL
9	REVISIONS; REPORT
10	(a) On or before January 15, 2024, the Executive Director of the Division
11	of Fire Safety shall submit a written report to the General Assembly that
12	identifies and examines provisions from other jurisdictions' fire and life safety
13	codes for residential buildings that:
14	(1) would facilitate in Vermont:
15	(A) the increased construction of new residential units;
16	(B) the conversion of existing space into new residential units; or
17	(C) both; and
18	(2) could be incorporated into the Vermont Fire and Building Safety
19	Code.

1	(b) The report shall include recommendations for any legislative action
2	necessary to enable the identified provisions to be incorporated into Vermont's
3	Fire and Building Safety Code.
4	* * * Eviction Rescue Fund * * *
5	Sec. 30. [Deleted.]
6	* * * HomeShare * * *
7	Sec. 31. HOMESHARING OPPORTUNITIES
8	In fiscal year 2024, it is the intent of the General Assembly to appropriate
9	funds, if available, from the General Fund to the Department of Housing and
10	Community Development funding to expand home-sharing opportunities
11	throughout the State.
12	* * * Mobile Homes and Mobile Home Parks * * *
13	Sec. 32. MOBILE HOMES; MOBILE HOME PARKS; APPROPRIATION
14	(a) Creation. There is created the Mobile Home Task Force.
15	(b) Membership. The Task Force is composed of the following members:
16	(1) one current member of the House of Representatives, appointed by
17	the Speaker of the House;
18	(2) one current member of the Senate, appointed by the Committee on
19	Committees;
20	(3) one member, appointed by the Department of Housing and
21	Community Development;

1	(4) one member, appointed by the Champlain Valley Office of
2	Economic Opportunity;
3	(5) one member, appointed by The Housing Foundation Inc.;
4	(6) one member, appointed by the Speaker of the House, representing
5	mobile home cooperative owners; and
6	(7) one member, appointed by the Vermont Housing and Conservation
7	Board.
8	(c) Powers and duties. The Task Force shall study the current landscape
9	for mobile homes and mobile home parks in this State, including the following
10	<u>issues:</u>
11	(1) the status of mobile homes and mobile home parks within Vermont's
12	housing portfolio;
13	(2) the condition and needs for mobile home park infrastructure among
14	parks of various sizes;
15	(3) the current statutory treatment of mobile homes either as personal or
16	real property:
17	(4) modern construction, energy efficiency, and durability of
18	manufactured housing, and the availability, affordability, and suitability of
19	alternative types of manufactured, modular, or other housing;
20	(5) the type and scope of data and information collected concerning
21	mobile home residents, mobile homes, and mobile home parks and

1	opportunities to make the data and information more centralized, accessible,
2	and useful for informing policy decisions; and
3	(6) conversion to cooperative ownership and technical assistance
4	available to prospective and new cooperative owners, including the availability
5	of guidance concerning governance structures, operation, and conflict
6	resolution.
7	(d) Assistance. For purposes of scheduling meetings and preparing a report
8	and recommendations, the Task Force shall have the assistance of the Office of
9	Legislative Operations, the Office of Legislative Counsel, and the Joint Fiscal
10	Office.
11	(e) Report. On or before January 15, 2024, the Task Force shall submit a
12	written report to the House Committee on General and Housing and the Senate
13	Committee on Economic Development, Housing and General Affairs with its
14	findings and any recommendations for legislative action.
15	(f) Meetings.
16	(1) The House of Representatives' member shall call the first meeting of
17	the Task Force to occur on or before September 1, 2023.
18	(2) The Committee shall select a chair from among its members at the
19	first meeting.
20	(3) A majority of the membership shall constitute a quorum.
21	(4) The Task Force shall cease to exist on January 15, 2024.

1	(g) Compensation and reimbursement.
2	(1) For attendance at meetings during adjournment of the General
3	Assembly, a legislative member of the Task Force shall be entitled to per diem
4	compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for
5	not more than six meetings.
6	(2) Other members of the Task Force shall be entitled to per diem
7	compensation and reimbursement of expenses as permitted under 32 V.S.A.
8	§ 1010 for not more than six meetings.
9	(3) Payments to members of the Task Force authorized under this
10	subsection shall be made from monies appropriated to the General Assembly.
11	(h) In fiscal year 2024, it is the intent of the General Assembly to
12	appropriate funds, if available, from the General Fund to the Department of
13	Housing and Community Development to provide financial support for home
14	repair, home improvement, housing transition, park infrastructure, legal
15	assistance, and technical assistance.
16	* * * Vermont Housing Finance Agency * * *
17	Sec. 33. 2022 Acts and Resolves No. 182, Sec. 2 is amended to read:
18	Sec. 2. FIRST-GENERATION HOMEBUYER; IMPLEMENTATION;
19	APPROPRIATION
20	(a) Guidelines. The Vermont Housing Finance Agency shall adopt
21	guidelines and procedures for the provision of grants to first-generation

1	homebuyers pursuant to 32 V.S.A. § 5930u(b)(3)(D) consistent with the
2	criteria of the Down Payment Assistance Program implemented pursuant to
3	32 V.S.A. § 5930u(b)(3) and with this section.
4	(b) As used in this section and 32 V.S.A. § 5930u(b)(3)(D), a "first-
5	generation homebuyer" means an applicant a homebuyer who self-attests that
6	the applicant homebuyer is an individual:
7	(1)(A) whose parents or legal guardians:
8	(A) do not have and during the homebuyer's lifetime have not had
9	any present residential ownership interest in any State state; and or
10	(B) whose spouse, or domestic partner, and each member of whose
11	household has not, during the three-year period ending upon acquisition of the
12	eligible home to be acquired, had any present ownership interest in a principal
13	residence in any State lost ownership of a home due to foreclosure, short sale,
14	or deed-in-lieu of foreclosure and have not owned a home since that loss; or
15	(2) is an individual who has at any time been placed in foster care.
16	* * *
17	Sec. 34. FIRST GENERATION HOMEBUYER; APPROPRIATION
18	In fiscal year 2024, it is the intent of the General Assembly to appropriate
19	funds, if available, from the General Fund to the Vermont Housing Finance
20	Agency for grants through the First Generation Homebuyer Program.

1	* * * Middle-Income Homeownership
2	Development Program * * *
3	Sec. 35. REPEAL
4	2022 Acts and Resolves No. 182, Sec. 11 is repealed.
5	Sec. 36. MIDDLE-INCOME HOMEOWNERSHIP DEVELOPMENT
6	PROGRAM
7	(a) The Vermont Housing Finance Agency shall establish a Middle-Income
8	Homeownership Development Program pursuant to this section.
9	(b) As used in this section:
10	(1) "Affordable owner-occupied housing" means owner-occupied
11	housing identified in 26 U.S.C. § 143(c)(1) or that qualifies under Vermont
12	Housing Finance Agency criteria governing owner-occupied housing.
13	(2) "Income-eligible homebuyer" means a Vermont household with
14	annual income that does not exceed 150 percent of area median income.
15	(c) The Agency shall use the funds appropriated in this section to provide
16	subsidies for new construction or acquisition and substantial rehabilitation of
17	affordable owner-occupied housing for purchase by income-eligible
18	homebuyers.
19	(d) The total amount of subsidies for a project shall not exceed 35 percent
20	of eligible development costs, as determined by the Agency, which the Agency
21	may allocate consistent with the following:

I	(1) Developer subsidy. The Agency may provide a direct subsidy to the
2	developer, which shall not exceed the difference between the cost of
3	development and the market value of the home as completed.
4	(2) Affordability subsidy. Of any remaining amounts available for the
5	project after the developer subsidy, the Agency may provide a subsidy for the
6	benefit of the homebuyer to reduce the cost of purchasing the home, provided
7	that:
8	(A) the Agency includes conditions in the subsidy, or uses another
9	legal mechanism, to ensure that, to the extent the home value has risen, the
10	amount of the subsidy remains with the home to offset the cost to future
11	homebuyers; or
12	(B) the subsidy is subject to a housing subsidy covenant, as defined
13	in 27 V.S.A. § 610, that preserves the affordability of the home for a period of
14	99 years or longer.
15	(3) The Agency shall allocate not less than 33 percent of the funds
16	available through the Program to projects that include a housing subsidy
17	covenant consistent with subdivision (2)(B) of this subsection.
18	(e) The Agency shall adopt a Program plan that establishes application and
19	selection criteria, including:
20	(1) project location;
21	(2) geographic distribution;

1	(3) leveraging of other programs;
2	(4) housing market needs;
3	(5) project characteristics, including whether the project includes the use
4	of existing housing as part of a community revitalization plan;
5	(6) construction standards, including considerations for size;
6	(7) priority for plans with deeper affordability and longer duration of
7	affordability requirements;
8	(8) sponsor characteristics;
9	(9) energy efficiency of the development; and
10	(10) the historic nature of the project.
11	(f)(1) When implementing the Program, the Agency shall consult
12	stakeholders and experts in the field.
13	(2) The Program shall include:
14	(A) a streamlined and appropriately scaled application process;
15	(B) an outreach and education plan, including specific tactics to reach
16	and support eligible applicants, especially those from underserved regions or
17	sectors;
18	(C) an equitable system for distributing investments statewide on the
19	basis of need according to a system of priorities that includes consideration of:
20	(i) geographic distribution;
21	(ii) community size;

1	(iii) community economic need; and
2	(iv) whether an application has already received an investment or
3	is from an applicant in a community that has already received Program
4	funding.
5	(3) The Agency shall use its best efforts to ensure:
6	(A) that investments awarded are targeted to the geographic
7	communities or regions with the most pressing economic and employment
8	needs; and
9	(B) that the allocation of investments provides equitable access to the
10	benefits to all eligible geographical areas.
11	(g) The Agency may assign its rights under any investment or subsidy
12	made under this section to the Vermont Housing and Conservation Board or
13	any State agency or nonprofit organization qualifying under 26 U.S.C.
14	§ 501(c)(3), provided such assignee acknowledges and agrees to comply with
15	the provisions of this section.
16	(h) The Department shall report to the House Committee on General and
17	Housing and the Senate Committee on Economic Development, Housing and
18	General Affairs on the status of the Program annually, on or before January 15
19	Sec. 37. MIDDLE-INCOME HOMEOWNERSHIP; IMPLEMENTATION
20	The duty to implement Sec. 36 of this act is contingent upon an
21	appropriation of funds in fiscal year 2024 from the General Fund to the

1	Department of Housing and Community Development for a subgrant to the
2	Vermont Housing Finance Agency for the Middle-Income Homeownership
3	Development Program.
4	* * * Rental Housing Revolving Loan Program * * *
5	Sec. 38. RENTAL HOUSING REVOLVING LOAN PROGRAM
6	(a) Creation; administration. The Vermont Housing Finance Agency shall
7	design and implement a Rental Housing Revolving Loan Program and shall
8	create and administer a revolving loan fund to provide subsidized loans for
9	rental housing developments that serve middle-income households.
10	(b) Loans; eligibility; criteria.
11	(1) The Agency shall adopt processes, procedures, and guidelines to
12	implement the Program consistent with this section, including a simple
13	application process that is accessible to small developers, builders, and
14	contractors.
15	(2)(A) To be eligible for a subsidized loan through the Program, a
16	project shall create two or more new rental housing units, which may include
17	market rate and affordable units, provided that at least 25 percent of the units
18	in the project are affordable to a household earning between 65 and 150
19	percent of the applicable area median income.

1	(B) Projects may include new construction, acquisition with
2	substantial rehabilitation, and preservation of naturally occurring affordable
3	housing.
4	(3) A loan is available only for the costs of the project allocable to the
5	affordable units.
6	(4)(A) The Agency shall calculate the maximum amount of a loan,
7	which shall not exceed the lesser of:
8	(i) 35 percent of the costs of the project allocable to the affordable
9	units; or
10	(ii) the following amounts based on area median income bands:
11	(I) \$150,000.00 per unit for each unit that is affordable to a
12	household earning from 65 percent to 80 percent of area median income; and
13	(II) \$100,000.00 per unit for each unit that is affordable to a
14	household earning from 81 to 150 percent of area median income.
15	(B) The Agency shall adopt and implement a method to adjust the
16	values specified in subdivision (A)(ii) of this subdivision (4) at least annually
17	for inflation and may adopt a smoothing mechanism to adjust the maximum
18	loan values within each band based on levels of affordability.
19	(5) The Agency shall determine the term and interest rate of a loan. The
20	Agency may adopt one or more mechanisms to provide an enhanced subsidy to
21	incentivize projects, including:

1	(A) a lower interest rate;
2	(B) an interest-only option with deferred principal repayment; and
3	(C) partial loan forgiveness.
4	(6) The Agency shall adopt a Program plan that allows for an enhanced
5	subsidy for a project that meets one or more of the following:
6	(A) The project receives five percent or more of the total funding
7	from an employer or employer-capitalized loan or grant.
8	(B) The project receives five percent or more of the total funding
9	from a municipal or regional housing fund, local fiscal recovery fund, or other
10	form of community investment.
11	(C) The project utilizes tax-exempt bond funding or federal low-
12	income housing tax credits for at least 20 percent of the project's total units.
13	(D) The project is small in scale and provides infill development
14	within a historic settlement pattern.
15	(7) The Agency shall use one or more legal mechanisms to ensure that:
16	(A) a subsidized unit remains affordable to a household earning the
17	applicable percent of area median income for the longer of:
18	(i) seven years; or
19	(ii) full repayment of the loan plus three years; and

1	(B) during the affordability period determined pursuant to
2	subdivision (A) of this subdivision (7), the annual increase in rent for a
3	subsidized unit does not exceed three percent.
4	(c) Program design.
5	(1) When designing and implementing the Program, the Agency shall
6	consult stakeholders and experts in the field.
7	(2) The Program shall include:
8	(A) a streamlined and appropriately scaled application process;
9	(B) an outreach and education plan, including specific tactics to reach
10	and support eligible applicants, especially those from underserved regions or
11	sectors;
12	(C) an equitable system for distributing investment statewide on the
13	basis of need according to a system of priorities that includes consideration of:
14	(i) geographic distribution;
15	(ii) community size;
16	(iii) community economic need; and
17	(iv) whether an application has already received an investment or
18	is from an applicant in a community that has already received Program
19	funding.
20	(3) The Agency shall use its best efforts to ensure:

1	(A) that investments are targeted to the geographic communities or
2	regions with the most pressing economic and employment needs; and
3	(B) that the allocation of investments provides equitable access to the
4	benefits to all eligible geographical areas.
5	(d) Revolving funds. The Agency shall retain payments of principal,
6	interest, and any fees in a revolving loan fund, the amounts of which it shall
7	use to issue future loans through the Program.
8	(e) The Agency shall report to the House Committee on General and
9	Housing and the Senate Committee on Economic Development, Housing and
10	General Affairs on the status of the Program annually, on or before January 15.
11	Sec. 39. RENTAL HOUSING REVOLVING LOAN PROGRAM;
12	IMPLEMENTATION
13	The duty to implement Sec. 38 of this act is contingent upon an
14	appropriation of funds in fiscal year 2024 from the General Fund to the
15	Department of Housing and Community Development for a subgrant to the
16	Vermont Housing Finance Agency for the Rental Housing Revolving Loan
17	Program.
18	* * * Vermont Rental Housing Improvement Program * * *
19	Sec. 40. 10 V.S.A. § 699 is amended to read:
20	§ 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM
21	(a) Creation of Program.

1	(1) The Department of Housing and Community Development shall
2	design and implement the Vermont Rental Housing Improvement Program,
3	through which the Department shall award funding to statewide or regional
4	nonprofit housing organizations, or both, to provide competitive grants and
5	forgivable loans to private landlords for the rehabilitation, including
6	weatherization and accessibility improvements, of eligible rental housing units.
7	(2) The Department shall develop statewide standards for the Program,
8	including factors that partner organizations shall use to evaluate applications
9	and award grants and forgivable loans.
10	(3) A landlord shall not offer a unit created through the Program as a
11	short-term rental, as defined in 18 V.S.A. § 4301, for the period a grant or loan
12	agreement is in effect.
13	(b) Eligible rental housing units. The following units are eligible for a
14	grant or forgivable loan through the Program:
15	(1) Non-code compliant.
16	(A) The unit is an existing unit, whether or not occupied, that does
17	not comply with the requirements of applicable building, housing, or health
18	laws.
19	(B) If the unit is occupied, the grant or forgivable loan agreement
20	shall include terms:

1	(i) that prohibit permanent, involuntary displacement of the
2	current residents;
3	(ii) that provide for the temporary relocation of the current
4	residents if necessary to perform the rehabilitation; and
5	(iii) that ensure that the landlord complies with the affordability
6	requirements of the Program following the rehabilitation.
7	(2) New accessory dwelling units. The unit will be:
8	(A) a newly created accessory dwelling unit that meets the
9	requirements of 24 V.S.A. § 4412(1)(E);
10	(B) a newly created unit within an existing structure;
11	(C) a newly created residential structure that is a single unit; or
12	(D) a newly created unit within a newly created structure that
13	contains five or fewer residential units.
14	(c) Administration. The Department shall require a housing organization
15	that receives funding under the Program to adopt:
16	(1) a standard application form that describes the application process
17	and includes instructions and examples to help landlords apply;
18	(2) an award process that ensures equitable selection of landlords,
19	subject to a housing organization's exercise of discretion based on the factors
20	adopted by the Department pursuant to subsection (a) of this section; and

1	(3) a grant and loan management system that ensures accountability for
2	funds awarded.
3	(d) Program requirements applicable to grants and forgivable loans.
4	(1) A grant or loan shall not exceed \$50,000.00 per unit. In determining
5	the amount of a grant or loan, a housing organization shall consider the number
6	of bedrooms in the unit and whether the unit is being rehabilitated or newly
7	created.
8	(2) A landlord shall contribute matching funds or in-kind services that
9	equal or exceed 20 percent of the value of the grant or loan.
10	(3) A project may include a weatherization component.
11	(4) A project shall comply with applicable building, housing, and health
12	laws.
13	(5) The terms and conditions of a grant or loan agreement apply to the
14	original recipient and to a successor in interest for the period the grant or loan
15	agreement is in effect.
16	(6) The identity of a recipient and the amount of a grant or forgivable
17	loan are public records that shall be available for public copying and inspection
18	and the Department shall publish this information at least quarterly on its
19	website.
20	(e) Program requirements applicable to grants. For a grant awarded under
21	subdivision (b)(1) of this section for a unit that is non-code compliant through

1	the Program, the following requirements apply for a minimum period of five
2	years:
3	(1) A landlord shall coordinate with nonprofit housing partners and local
4	coordinated entry organizations to identify potential tenants.
5	(2)(A) Except as provided in subdivision (2)(B) of this subsection (e), a
6	landlord shall lease the unit to a household that is exiting homelessness or
7	actively working with an immigrant or refugee resettlement program.
8	(B) If, upon petition of the landlord, the Department or the housing
9	organization that issued the grant determines that a household exiting
10	homelessness is not available to lease the unit, then the landlord shall lease the
11	unit:
12	(i) to a household with an income equal to or less than 80 percent
13	of area median income; or
14	(ii) if such a household is unavailable, to another household with
15	the approval of the Department or housing organization.
16	(3)(A) A landlord shall accept any housing vouchers that are available to
17	pay all, or a portion of, the tenant's rent and utilities.
18	(B) If no housing voucher or federal or State subsidy is available, the
19	total cost of rent for the unit, including utilities not covered by rent payments,
20	shall not exceed the applicable fair market rent established by the Department
21	of Housing and Urban Development.

1	(4)(A) A landlord may convert a grant to a forgivable loan upon
2	approval of the Department and the housing organization that approved the
3	grant.
4	(B) A landlord who converts a grant to a forgivable loan shall receive
5	a 10-percent credit for loan forgiveness for each year in which the landlord
6	participates in the grant program.
7	(f) Requirements applicable to forgivable loans. For a forgivable loan
8	awarded under subdivision (b)(1) of this section for a unit that is non-code
9	compliant through the Program, the following requirements apply for a
10	minimum period of 10 years:
11	(1)(A) A landlord shall accept any housing vouchers that are available to
12	pay all, or a portion of, the tenant's rent and utilities.
13	(B) If no housing voucher or federal or State subsidy is available, the
14	cost of rent for the unit, including utilities not covered by rent payments, shall
15	not exceed the applicable fair market rent established by the Department of
16	Housing and Urban Development.
17	(2) The Department shall forgive 10 percent of the amount of a
18	forgivable loan for each year a landlord participates in the loan program.
19	(g) Requirements for an accessory dwelling unit.
20	(1) For a grant or forgivable loan awarded under subdivision (b)(2) of
21	this section for a unit that is a new accessory dwelling unit the total cost of rent

1	for the unit, including utilities not covered by rent payments, shall not exceed
2	the applicable fair market rent established by the Department of Housing and
3	Urban Development.
4	(2) A landlord shall not offer an accessory dwelling unit created through
5	the Program as a short term rental, as defined in 18 V.S.A. § 4301. [Repealed.]
6	(h) Lien priority. A lien for a grant converted to a loan or for a forgivable
7	loan issued pursuant to this section is subordinate to:
8	(1) a lien on the property in existence at the time the lien for
9	rehabilitation and weatherization of the rental housing unit is filed in the land
10	records; and
11	(2) a first mortgage on the property that is refinanced and recorded after
12	the lien for rehabilitation and weatherization of the rental housing unit is filed
13	in the land records.
14	Sec. 41. VHIP; IMPLEMENTATION
15	In fiscal year 2024 it is the intent of the General Assembly to appropriate
16	funding, if available, from the General Fund to the Department of Housing and
17	Community Development for the Vermont Rental Housing Improvement
18	Program.

1	Sec. 42. VERMONT HOUSING AND CONSERVATION BOARD;
2	APPROPRIATION OF AVAILABLE FUNDING
3	In fiscal year 2024, it is the intent of the General Assembly to appropriate
4	additional funding, if available, from the General Fund to the Vermont
5	Housing and Conservation Board to provide affordable mixed-income rental
6	housing and homeownership units; improvements to manufactured homes and
7	communities; recovery residences; and, if determined eligible, housing
8	available to farm workers and refugees. VHCB shall also use the funds for
9	shelter and permanent homes for those experiencing homelessness in
10	consultation with the Secretary of Human Services.
11	* * * Housing Stabilization * * *
12	Sec. 43. RENTAL HOUSING STABILIZATION SERVICES
13	(a) Creation; purpose. The Champlain Valley Office of Economic
14	Opportunity shall create and administer a Rental Housing Stabilization
15	Services Program to provide tenants and landlords with access to services and
16	programs that assist in preserving a tenancy and avoid eviction, including
17	eligibility screening, direct referral, and follow-up services.
18	(b) Eligibility. A tenant or landlord is eligible to contact the Office at any
19	time prior to the filing of a summons and complaint for eviction or through
20	court referral.

1	(c) Screening. The Office shall employ resource specialists who shall
2	assess landlords and tenants for availability and eligibility for statewide or
3	local assistance, including:
4	(1) repair funds;
5	(2) the Rent Arrears Assistance Fund established;
6	(3) Housing Opportunity Grant Program funds;
7	(4) the Vermont Housing Improvement Program;
8	(5) existing State or federally funded project- or tenant-based subsidies;
9	(6) existing Economic Service Division programs;
10	(7) legal counsel at Vermont Legal Aid or Legal Services Vermont for
11	tenants and through the Vermont Lawyer Referral Service for tenants or
12	<u>landlords;</u>
13	(8) voluntary mediation;
14	(9) housing education and skills-building programs; and
15	(10) other available housing resources as needed.
16	(d) Referral. The Office shall:
17	(1) assist callers in contacting organizations operating programs or
18	available resources for which the caller may be eligible; and
19	(2) provide support and follow-up services and work with partner
20	organizations to ensure effective participation in identified programs and
21	services.

1	(e) Implementation. The duty to implement this section is contingent upon
2	an appropriation in fiscal year 2024 from the General Fund to the Office of
3	Economic Opportunity within the Department for Children and Families for a
4	subgrant to Champlain Valley Office of Economic Opportunity to administer
5	the Rental Housing Stabilization Services Program pursuant to this section.
6	Sec. 44. TENANT REPRESENTATION PILOT PROGRAM
7	(a) Creation; purpose. Vermont Legal Aid shall create and administer a
8	two-year Tenant Representation Pilot Program:
9	(1) to provide full representation to eligible and consenting tenants in
10	Lamoille and Windsor counties who have been served with a summons and
11	complaint for eviction; and
12	(2) to determine the impact of representation on the issuance of writs of
13	possession and homelessness prevention.
14	(b) Tenant eligibility. Vermont Legal Aid may enter a notice of appearance
15	on behalf of a residential tenant in Lamoille or Windsor County who is served
16	with a summons and complaint in an ejectment action, consents to the
17	representation, and meets the following criteria:
18	(1) household income equals or is less than 120 percent of State area
19	median income;
20	(2) the cost of rent equals or exceeds 30 percent of household income; or
21	(3) household expenses exceed income.

1	(c) Scope of representation.
2	(1) Full representation through the Program is limited to eviction.
3	(2) The pursuit of counterclaims shall be at the discretion of appointed
4	counsel.
5	(d) Conflicts of interest.
6	(1) Vermont Legal Aid may subcontract to Legal Services Vermont if it
7	is unable to provide tenant representation due to a conflict of interest as
8	defined by the Vermont Rules of Professional Conduct.
9	(2) If Legal Services Vermont also has a conflict of interest, Vermont
10	Legal Aid may subcontract to one or more private counsels who are members
11	in good standing of the Vermont Bar.
12	(e) Report. Vermont Legal Aid shall provide interim reports on the
13	progress of the Program on or before November 15, 2023 and November 15,
14	2024 and a final report on or before July 30, 2025, which shall describe:
15	(1) the number of tenants represented;
16	(2) case outcomes, including:
17	(A) the number of cases fully or partially resolved through access to
18	the Rent Arrears Assistance Fund;
19	(B) the number of cases fully or partially resolved through the
20	Vermont Landlord's Association mediation program; and

1	(C) the number of cases fully or partially resolved through access to
2	another resource identified through the Rental Housing Stabilization Services
3	Program; and
4	(3) recommendations for policy changes and for pilot expansion.
5	(f) Implementation. The duty to implement this section is contingent upon
6	an appropriation in fiscal year 2024 from the General Fund to the Agency of
7	Human Services for a subgrant to Vermont Legal Aid to provide representation
8	in eligible eviction cases in the two pilot counties of Lamoille and Windsor
9	beginning on July 1, 2023.
10	Sec. 45. RENT ARREARS ASSISTANCE FUND
11	(a) Creation; purpose. The Vermont State Housing Authority shall create
12	and administer a Rent Arrears Assistance Fund to provide funds to prevent
13	eviction in cases involving nonpayment of rent from residential rental units
14	subject to 9 V.S.A. chapter 137 and mobile home lot rentals subject to
15	10 V.S.A. chapter 153.
16	(b) Tenant eligibility. The Vermont State Housing Authority shall
17	establish eligibility guidelines for the Fund that ensure a streamlined
18	application process, including certification of past due rent and that tenants are
19	at risk of eviction, which shall address the following:

1	(1) Eligibility. Financial eligibility criteria that consider area median
2	income, rent burden, and ratio of household expenses to income up to 100
3	percent of area median income for the current federal fiscal year.
4	(2) Sustainability. Standards for assessing whether the tenancy is
5	sustainable while retaining a simple and straightforward application.
6	(3) Referral. If the tenancy is not sustainable, the parties shall be
7	referred to the Rental Housing Stabilization Services Program for assistance in
8	exploring other resources or services and to apply for a housing choice
9	voucher.
10	(c) Funds available.
11	(1) The Fund shall disburse only the amount necessary to cure the
12	tenant's rent arrears, and, if necessary, court costs, and attorney's fees capped
13	at an amount set by the Authority.
14	(2) The Fund is available on a first-come, first-served basis to eligible
15	tenants until the Fund is exhausted.
16	(d) Application.
17	(1) The Authority shall create a plain language form to collect only
18	information necessary to assess eligibility and provide clear instructions to
19	help tenants and landlords apply.
20	(2) The tenant shall certify all information on the application.

1	(3) The Authority shall provide assistance in completing the application,
2	either directly or through referral to Vermont Legal Aid.
3	(4) The Authority shall adopt guidelines and implement a process that
4	ensures:
5	(A) equitable and prompt approval of applications;
6	(B) notice of grant decisions within 10 days; and
7	(C) decisions on appeals within 10 days.
8	(e) Status of eviction pending application.
9	(1) If an eviction case is filed, the tenant or the landlord shall notify the
10	court when an application for Fund assistance is pending.
11	(2) Upon receiving notice that an application for Fund assistance is
12	pending, the court shall set a status conference within 30 days.
13	(3) While the application is pending, the landlord shall not issue a new
14	notice to quit or file or serve a new summons and complaint.
15	(f) Disbursement. The Authority shall disburse amounts from the Fund
16	directly to the landlord.
17	(g) Conditions for disbursement of funds. The Authority shall establish
18	guidelines for ensuring habitability, limitation on rent increases,
19	documentation for direct deposit, and dismissal of cases, including the
20	following:

1	(1) Habitability. The Authority shall adopt guidelines for identifying
2	violations of the Rental Housing Health Code and certifying that necessary
3	repairs to remediate the violations will be completed within 30 days or
4	pursuant to a plan developed for the remediation and approved by the
5	Authority.
6	(2) Documentation for direct deposit. The landlord shall provide the
7	Authority, on a form provided by the Authority, necessary banking information
8	to enable direct deposit of monies from the Fund.
9	(3) Dismissal. The Authority shall adopt guidelines for disbursement to
10	ensure that complaints based on nonpayment of rent and complaints for no
11	cause are dismissed, whether there is a single or multiple pending complaints.
12	(4) Notification form.
13	(A) The Authority shall adopt and provide to landlords and tenants a
14	standardized notification form that shows amounts paid for each category of
15	disbursement and date of payment.
16	(B) The form shall allow the landlord or tenant to easily notify the
17	court and request a dismissal due to payment.
18	(C) The form shall outline any certifications established in Authority
19	guidance that both parties have made as a part of their application, along with
20	the date of those certifications.

1	(h) Implementation. The duty to implement this section is contingent upon
2	an appropriation in fiscal year 2024 from the General Fund to the Vermont
3	State Housing Authority to create and administer the Rent Arrears Assistance
4	Fund pursuant to this section.
5	* * * Lead Inspectors; Financial Responsibility * * *
6	Sec. 46. 18 V.S.A. § 1764 is amended to read:
7	§ 1764. LEAD INSPECTORS; FINANCIAL RESPONSIBILITY
8	(a) The Commissioner shall require that a licensee or an applicant for a
9	license under subsection 1752(e) of this chapter provide evidence of ability to
10	indemnify properly a person who suffers damage from lead-based paint
11	activities or RRPM activities such as proof of effective liability insurance
12	coverage or a surety bond in an amount to be determined by the
13	Commissioner, which shall not be less than \$300,000.00. This section shall
14	not restrict or enlarge the liability of any person under any applicable law.
15	(b) Owners of rental target housing who personally perform all work under
16	this chapter on properties in which they have an interest shall be exempt from
17	subsection (a) of this section.
18	* * * Effective Dates * * *
19	Sec. 47. EFFECTIVE DATES
20	This act shall take effect on July 1, 2023, except that:

1	(1) Secs. 1 (24 V.S.A. § 4414) and 2 (24 V.S.A. § 4412) shall take effect
2	on December 1, 2024, except for subdivision (1)(D) of Sec. 2, which shall take
3	effect on July 1, 2023.
4	(2) Sec. 3 (24 V.S.A. § 4413) shall take effect on September 1, 2023.
5	(3) Sec. 46 (lead inspectors) shall take effect on passage.