TO THE HOUSE OF REPRESENTATIVES:

The Committee on Environment and Energy to which was referred House Bill No. 687 entitled “An act relating to community resilience and biodiversity protection through land use” respectfully reports that it has considered the same and recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Act 250 * * *

Sec. 1. PURPOSE

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

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

§ 6000. PURPOSE; CONSTRUCTION

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

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

§ 6021. BOARD; VACANCY; REMOVAL

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

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

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

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

(2) The Governor shall appoint up to five persons, with preference given
to former Environmental Board, Natural Resources Board, or District
Commission members, with the advice and consent of the Senate, to serve as
alternates for Board members.
(A) Alternates shall be appointed for terms of four years, with initial appointments being staggered. The Environmental Review Board Nominating Committee shall advertise the position when a vacancy will occur on the Environmental Review Board.

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

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

(b) Any vacancy occurring in the membership of the Board shall be filled by the Governor for the unexpired portion of the term. The term of each appointment subsequent to the initial appointments described in subsection (a) of this section shall be five years. Any appointment to fill a vacancy shall be for the unexpired portion of the term vacated. A member may seek reappointment by informing the Governor. If the Governor decides not to reappoint the member, the Nominating Committee shall advertise the vacancy.
(c) **Removal.** Notwithstanding the provisions of 3 V.S.A. § 2004, members shall only be removable for cause only, except the Chair, who shall serve at the pleasure of the Governor by the remaining members of the Board in accordance with the Vermont Administrative Procedures Act. The Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to define the basis and process for removal.

(d) **Disqualified members.** The Chair of the Board, upon request of the Chair of a District Commission, may appoint and assign former Commission members to sit on specific Commission cases when some or all of the regular members and alternates of the District Commission are disqualified or otherwise unable to serve. If necessary to achieve a quorum, the Chair of the Board may appoint a member of a District Commission to sit on a specific case before the Board.

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

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

§ 6032. ENVIRONMENTAL REVIEW BOARD NOMINATING

COMMITTEE

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

(b) Members. The Committee shall consist of six members who shall be
appointed as follows:

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

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

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

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

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

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

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

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

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

(1) operating procedures of the Committee;

(2) standard application forms and any other forms used by the
Committee, provided they do not contain personal information about a
candidate or confidential proceedings;
(3) all proceedings of the Committee prior to the receipt of the first candidate’s completed application; and

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

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

(j) Duties.

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

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

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

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

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

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

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

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

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

§ 6025. RULES

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

* * *

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

§ 6027. POWERS

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

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

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

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

(4) apply for and receive grants from the federal government and from other sources.
(b) The powers granted under this chapter are additional to any other
powers which may be granted by other legislation.

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

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

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

(f) The Board shall publish its decisions online. The Board may publish
online or contract to publish annotations and indices of its decisions, the
decisions of the Environmental Division of the Superior Court and the
Supreme Court, and the text of those decisions. The published product shall be
available at a reasonable rate to the general public and at a reduced rate to
libraries and governmental bodies within the State.
(g) The Natural Resources Board shall manage the process by which land use permits are issued under section 6086 of this title, may initiate enforcement on related matters under the provisions of chapters 201 and 211 of this title, and may petition the Environmental Division initiate and hear petitions for revocation of land use permits issued under this chapter. Grounds for revocation are:

1. noncompliance with this chapter, rules adopted under this chapter, or an order that is issued that relates to this chapter;
2. noncompliance with any permit or permit condition;
3. failure to disclose all relevant and material facts in the application or during the permitting process;
4. misrepresentation of any relevant and material fact at any time;
5. failure to pay a penalty or other sums owed pursuant to, or other failure to comply with, court order, stipulation agreement, schedule of compliance, or other order issued under Vermont statutes and related to the permit; or
6. failure to provide certification of construction costs, as required under subsection 6083a(a) of this title, or failure to pay supplemental fees as required under that section.
(h) The Natural Resources Board may hear appeals of decisions made by District Commissions and district coordinators, including fee refund requests under section 6083a of this title.

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

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

(k) The Board shall review applications for planned growth areas and critical resource areas and approve or disapprove based on whether a municipal application demonstrates compliance with the requirements of section 6033 of this title. The Board shall produce guidelines for municipalities seeking to obtain the planned growth area designation.

* * *

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

§ 6022. PERSONNEL

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

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

(1) supervising and administering the operation and implementation of
this chapter and the rules adopted by the Board as directed by the Board;
(2) assisting the Board in its duties and administering the requirements
of this chapter;
(3) employing any staff as may be required to carry out the functions of
the Board; and
(4) preparing an annual budget for submission to the Board.

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

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

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

* * *

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

* * *

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

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

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

§ 6089. APPEALS

Appeals of any act or decision of a District Commission under this chapter or a district coordinator under subsection 6007(c) of this title shall be made to the Environmental Division in accordance with chapter 220 of this title. For the purpose of this section, a decision of the Chair of a District Commission under section 6001e of this title on whether action has been taken to circumvent the requirements of this chapter shall be considered an act or decision of the District Commission.
(a)(1) Appeals to the Board. An appeal of any act or decision of a District Commission shall be to the Board and shall be accompanied by a fee prescribed by section 6083a of this title.

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

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

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

   or

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

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

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

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

(6) Prehearing discovery.

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

(B) Interrogatories served on nonexpert witnesses shall be limited to
discovery of the identity of witnesses and a summary of each witness’
testimony, except by order of the Board for cause shown. Interrogatories
served on expert witnesses shall be in accordance with the Vermont Rules of
Civil Procedure.
(C) Parties may submit requests to produce and requests to enter upon land pursuant to the Vermont Rule of Civil Procedure 34.

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

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

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

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

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

(e) Appeals of decisions. An appeal of a decision by the Board shall be allowed pursuant to 3 V.S.A. § 815, including the unreasonableness or insufficiency of the conditions attached to a permit. An appeal from the District Commission shall be allowed for any reason, except no appeal shall be allowed when an application has been granted and no hearing was requested.
(f) Precedent. Precedent from the former Environmental Board and of the Environmental Review Board that interpret this chapter shall be provided the same deference by the Supreme Court as precedents accorded to other Executive Branch agencies charged with administering their enabling act. On appeal to the Supreme Court from the Environmental Review Board, decisions of the Environmental Review Board interpreting this act also shall be accorded that deference.

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

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

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

1. the issuance of declaratory rulings on the applicability of this chapter and rules or orders issued under this chapter, pursuant to 3 V.S.A. § 808; and
(2) the issuance of decisions on appeals pursuant to sections 6007 and

6089 of this title.

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

§ 6007. ACT 250 DISCLOSURE STATEMENT; JURISDICTIONAL DETERMINATION

* * *

(c) With respect to the partition or division of land, or with respect to an activity that might or might not constitute development, any person may submit to the district coordinator an “Act 250 Disclosure Statement” and other information required by the rules of the Board and may request a jurisdictional opinion from the district coordinator concerning the applicability of this chapter. If a requestor wishes a final determination to be rendered on the question, the district coordinator, at the expense of the requestor and in accordance with rules of the Board, shall publish notice of the issuance of the opinion in a local newspaper generally circulating in the area where the land that is the subject of the opinion is located and shall serve the opinion on all persons listed in subdivisions 6085(c)(1)(A) through (D) of this title. In addition, the requestor who is seeking a final determination shall consult with the district coordinator and obtain approval of a subdivision 6085(c)(1)(E) list of persons who shall be notified by the district coordinator because they are adjoining property owners or other persons who would be likely to be able to
demonstrate a particularized interest protected by this chapter that may be
affected by an act or decision by a District Commission.

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

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

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

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

§ 6083a. ACT 250 FEES

* * *

(i) All persons filing an appeal, cross appeal, or petition from a District
Commission decision or jurisdictional opinion shall pay a fee of $295.00, plus
publication costs.
(j) Any municipality filing an application for a planned growth area designation shall pay a fee of $295.00.

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

*** Appeals ***

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

CHAPTER 220. CONSOLIDATED ENVIRONMENTAL APPEALS

§ 8501. PURPOSE

It is the purpose of this chapter to:

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

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

(3) encourage people to get involved in the Act 250 permitting process at the initial stages of review by a District Commission by requiring participation as a prerequisite for an appeal of a District Commission decision to the Environmental Division;
(4) ensure that clear appeal routes exist for acts and decisions of the Secretary of Natural Resources; and

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

§ 8502. DEFINITIONS

As used in this chapter:

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

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

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

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

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

(A) the applicant;

(B) the landowner, if the applicant is not the landowner;
(C) the municipality in which the project site is located and the municipal and regional planning commissions for that municipality;

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

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

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

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

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

(8) “Secretary” means the Secretary of Natural Resources or the Secretary’s duly authorized representative. As used in this chapter, “Secretary” shall also mean the Commissioner of Environmental
§ 8503. APPLICABILITY

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

* * *

(b) This chapter shall govern:

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

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

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

(c) This chapter shall govern all appeals arising under 24 V.S.A. chapter 117, the planning and zoning chapter.
(d) This chapter shall govern all appeals from an act or decision of the Environmental Division under this chapter.

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

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

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

§ 8504. APPEALS TO THE ENVIRONMENTAL DIVISION

(a) Act 250 and Agency appeals. Within 30 days of the date of following the act or decision, any person aggrieved by an act or decision of the Secretary, a District Commission, or a district coordinator under the provisions of law listed in section 8503 of this title, or any party by right, may appeal to the Environmental Division, except for an act or decision of the Secretary under subdivision 6086b(3)(E) of this title or governed by section 8506 of this title.

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

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

[Repealed.]

* * *

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

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

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

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

or

(C) some other condition exists that would result in manifest injustice

if the person’s right to appeal was disallowed. [Repealed.]  

(2) Participation before the Secretary.

* * *

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

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

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

* * *

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

* * *

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

* * *

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

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

(2) a municipal decision regarding whether a particular application qualifies for a recorded hearing under 24 V.S.A. § 4471(b) shall not be subject to appeal;
(3) if a District Commission issues a partial decision under subsection 6086(b) of this title, any appeal of that decision must be taken within 30 days of the date of that decision.

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

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

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

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

(2) is a party by right;

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

(4) is a person aggrieved, as defined in this chapter;
(5) qualifies as an “interested person,” as established in 24 V.S.A. § 4465, with respect to appeals under 24 V.S.A. chapter 117; or

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

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

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

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

(2) there is an appeal of a decision of a District Commission, and the applicant used a decision of the Secretary based on that record to create a presumption under a criterion of subsection 6086(a) of this title that is at issue in the appeal.
§ 8505. APPEALS TO THE SUPREME COURT

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

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

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

(3) the Supreme Court determines that:

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

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

* * *

* * * Environmental Division * * *

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

§ 34. JURISDICTION; ENVIRONMENTAL DIVISION

The Environmental Division shall have:

(1) jurisdiction of matters arising under 10 V.S.A. chapters 201 and 220; and
(2) jurisdiction of matters arising under 24 V.S.A. chapter 61, subchapter 12 and 24 V.S.A. chapter 117; and

(3) original jurisdiction to revoke permits under 10 V.S.A. chapter 154.

* * * Transition; Revision Authority * * *

Sec. 15. ENVIRONMENTAL REVIEW BOARD POSITIONS;

APPROPRIATION

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

(1) two Staff Attorneys; and

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

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

Sec. 16. NATURAL RESOURCES BOARD TRANSITION

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

(b) As of July 1, 2025, all appropriations and employee positions of the Natural Resources Board are transferred to the Environmental Review Board.
(c) The Environmental Review Board shall adopt rules of procedure for its
hearing process pursuant to 10 V.S.A. § 6025(a) on or before July 1, 2026.

Sec. 17. ENVIRONMENTAL DIVISION; CONTINUED JURISDICTION

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

Sec. 18. REVISION AUTHORITY

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

* * * Forest Blocks * * *

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

§ 6001. DEFINITIONS

As used in this chapter:

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

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

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

(48) “Habitat” means the physical and biological environment in which a particular species of plant or wildlife lives.
(49) As used in subdivisions (45), (46), and (47) of this section, “recreational trail” means a corridor that is not paved and that is used for recreational purposes, including hiking, walking, bicycling, cross-country skiing, snowmobiling, all-terrain vehicle riding, and horseback riding.

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

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

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

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

(ii) all feasible and reasonable means of preventing or lessening the destruction, diminution, or imperilment of the habitat or species have not been or will not continue to be applied; or
(iii) a reasonably acceptable alternative site is owned or controlled
by the applicant which would allow the development or subdivision to fulfill
its intended purpose.

(B) Forest blocks.

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

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

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

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

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

(I) Locating buildings and other improvements and operating
the project in a manner that avoids or minimizes incursion into and disturbance
of the forest block, including clustering of buildings and associated
improvements.
(II) Designing roads, driveways, and utilities that serve the development or subdivision to avoid or minimize fragmentation of the forest block. Such design may be accomplished by following or sharing existing features on the land such as roads, tree lines, stonewalls, and fence lines.

(C) Habitat connector.

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

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

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

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

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

(II) designing the location of buildings and other improvements to leave the greatest contiguous portion of the area undisturbed in order to facilitate wildlife travel through the connector; or
(III) when there is no feasible site for construction of buildings and other improvements outside the connector, designing the buildings and improvements to facilitate the continued viability of the connector for use by wildlife.

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

On or before June 15, 2025, the Natural Resources Board shall file a final proposed rule with the Secretary of State and Legislative Committee on Administrative Rules to implement the requirements for the administration of 10 V.S.A. § 6086(a)(8)(B) and (C), which shall at a minimum address the minimum size required for a forest block or habitat connector.

Sec. 22. 10 V.S.A. § 6094 is added to read:

§ 6094. MITIGATION OF FOREST BLOCKS

(a) A District Commission may consider a proposal to mitigate, through compensation, the fragmentation of a forest block if the applicant demonstrates that it is not feasible to avoid or minimize fragmentation of the block in accordance with the requirements of subdivision 6086(a)(8)(B) of this chapter.

A District Commission may approve the proposal only if it finds that the proposal will meet the requirements of the rules adopted under this section and will preserve a forest block of similar quality and character to the block affected by the development or subdivision.
(b) The Natural Resources Board, in consultation with the Secretary of
Natural Resources, shall adopt rules governing mitigation under this section.

(1) The rules shall state the acreage ratio of forest block to be preserved
in relation to the block affected by the development or subdivision.

(2) Compensation measures to be allowed under the rules shall be based
on the ratio of land developed pursuant to subdivision (1) of this subsection
and shall include:

(A) Preservation of a forest block of similar quality and character to
the block that the development or subdivision will affect.

(B) Deposit of an off-site mitigation fee into the Vermont Housing
and Conservation Trust Fund under section 312 of this title.

(i) This mitigation fee shall be derived as follows:

(I) Determine the number of acres of forest block affected by
the proposed development or subdivision.

(II) Multiply this number of affected acres by three.

(III) Multiply the resulting product by a “price-per-acre” value,
which shall be based on the amount that the Commissioner of Forests, Parks
and Recreation determines to be the recent, per-acre cost to acquire
conservation easements for forest blocks of similar quality and character in the
same geographic region as the proposed development or subdivision.
(ii) The Vermont Housing Conservation Board shall use such a fee to preserve a forest block of similar quality and character to the affected by the development or subdivision.

(C) Any other compensation measures as the rules may authorize.

(c) The mitigation of impact on a forest block shall be structured also to mitigate the impacts, under the criteria of subsection 6086(a) of this title other than subdivisions (8)(B) to land or resources within the block.

(d) All forest blocks preserved pursuant to this section shall be protected by permanent conservation easements that grant development rights and include conservation restrictions and are conveyed to a qualified holder, as defined in section 821 of this title, with the ability to monitor and enforce easements in perpetuity.

Sec. 23. 10 V.S.A. § 127 is amended to read:

§ 127. RESOURCE MAPPING

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

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

(c) The Secretary shall establish and maintain written procedures that include a process and science-based criteria for updating resource maps developed under subsection (a) of this section. Before establishing or revising these procedures, the Secretary shall provide opportunities for affected parties and the public to submit relevant information and recommendations.

* * * Location-Based Jurisdiction * * *

Sec. 24. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

* * *

(3)(A) “Development” means each of the following:

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

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

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

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

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

* * *

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

(xiii) The construction of a road, roads, driveway, or driveways, which in combination is greater than 2,000 feet or the construction of any single road or driveway greater than 800 feet, to provide access to or within a tract or tracts of land of more than one acre owned or controlled by a person.

The intent of this subdivision is to minimize fragmentation of the landscape and encourage the clustering of buildings.

(I) For the purposes of determining jurisdiction under this subdivision (xiii), any tract or tracts of land that will be provided access by the road or driveway is involved land.

(II) As used in this subdivision (xiii), “road” shall include any new road or upgrade of a Class 4 highway by a person other than a municipality, including a road that will be transferred to or maintained by a
municipality after its construction or upgrade. For the purposes of this
subdivision (II), routine maintenance of a Class 4 highway or stormwater
improvement required pursuant to section 1264 of this title shall not constitute
an “upgrade.”

(aa) Routine maintenance shall include replacing a culvert
or ditch, applying new stone, grading, or making repairs after adverse weather.

(bb) Routine maintenance shall not include changing the
size of the road, changing the location or layout of the road, or adding
pavement.

(III) For the purpose of determining the length under this
subdivision, the length of all roads and driveways within the tract or tracts of
land constructed after October 1, 2024 shall be included.

(IV) This subdivision (xiii) shall not apply to:

(aa) a road constructed for a municipal, county, or State
purpose; a utility corridor of an electric transmission or distribution company;
or a road located entirely within in a designated downtown or neighborhood
development area.

(bb) a road used primarily for farming or forestry purposes
unless used for residential purpose.

* * *

(19)(A) “Subdivision” means each of the following:
(i) A tract or tracts of land, owned or controlled by a person, that

the person has partitioned or divided for the purpose of resale into 40 four or

more lots within a radius of five miles of any point on any lot, or within the

jurisdictional area of the same District Commission, within any continuous

period of five years located within a rural and working lands area. In
determining the number of lots, a lot shall be counted if any portion is within

an area and within five miles or within the jurisdictional area of the same

District Commission.

(ii) A tract or tracts of land, owned or controlled by a person, that

the person has partitioned or divided for the purpose of resale into six or more

lots, within a continuous period of five years, in a municipality that does not

have duly adopted permanent zoning and subdivision bylaws.

(iii) A tract or tracts of land, owned or controlled by a person, that

have been partitioned or divided for the purpose of resale into five or more

separate parcels of any size within a radius of five miles of any point on any

such parcel, and within any period of ten 10 years, by public auction.

(I) In As used in this subdivision (iii), “public auction” means

any auction advertised or publicized in any manner or to which more than ten

10 persons have been invited.

(II) If sales described under this subdivision (iii) are of interests

that, when sold by means other than public auction, are exempt from the
provisions of this chapter under the provisions of subsection 6081(b) of this
title, the fact that these interests are sold by means of a public auction shall not,
in itself, create a requirement for a permit under this chapter.

* * *

(50) “Critical resource area” means a river corridor, a significant
wetland as defined under section 902 of this title, land characterized by slopes
greater than 15 percent and shallow depth to bedrock, an area with any amount
of prime agricultural soil, and a parcel containing all or part of a connecting
habitat.

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

* * * Planned Growth Area Designation * * *

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

§ 6034. REGIONAL PLAN FUTURE LAND USE MAP REVIEW;

DESIGNATION OF TIERS 1B AND 3

(a) The Board shall review requests from regional planning commissions to
approve, approve with conditions, or disapprove portions of future land use
maps for the purposes of changing jurisdictional thresholds under this chapter
and to approve designations pursuant to 24 V.S.A. chapter 139. The Board
may produce guidelines for regional planning commissions seeking to obtain
these designations. If requested by the regional planning commission, the Board shall complete this review concurrently with regional plan approval.

(b) The Board shall review the portions of future land use maps that include downtowns or village centers, planned growth areas, and village areas to ensure they meet the requirements under 24 V.S.A. § 5804 and § 5805 for designation as downtown and village centers and neighborhood areas. These portions of the future land use maps shall be referred to as Tier 1B for the purpose of jurisdiction under this chapter.

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

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

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

(C) Unless the municipality has adopted flood hazard and river corridor bylaws applicable to the entire municipality that are consistent with the standards established pursuant to subsection 755(b) of this title (flood hazard) and subsection 1428(b) of this title (river corridor), the area excludes identified flood hazard and fluvial erosion areas, except those areas containing
preexisting development in areas suitable for infill development as defined in § 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

(d) The Board shall review the portions of future land use maps that include rural-conservation areas to ensure they meet the definition of critical resource areas in section 6001 of this title. These portions of the future land use maps shall be referred to as Tier 3 for the purpose of jurisdiction under this chapter.

Sec. 25. 10 V.S.A. § 6033 is added to read:

§ 6033. PLANNED GROWTH AREA DESIGNATION

(a) Application and approval.

(1) Beginning on January 1, 2027, a municipality, by resolution of its legislative body, may apply to the Environmental Review Board for designation of a planned growth area for the area of the municipality that is suitable for dense development and meets the requirements of subsection (b) of this section.

(2) A municipality may apply for designation as a Tier 1A or Tier 1B planned-growth area.

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

(b) Planned growth area designation requirements.
(1) To obtain a Tier 1A planned growth area designation under this section, a municipality shall demonstrate to the Board that it has each of the following:

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

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

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

(D) A capital budget and program pursuant to 24 V.S.A. § 4430 that make substantial investments in the ongoing development of the planned growth area, are consistent with the plan’s implementation program, and are consistent with the smart growth principles defined in 24 V.S.A. § 2791(13).

(E) Permanent zoning and subdivision bylaws that do not include broad exemptions that exclude significant private or public land development from requiring a municipal land use permit.
(F) Urban form bylaws for the planned growth area that further the smart growth principles of 24 V.S.A. chapter 117, adequately regulate the physical form and scale of development, with provision of for buildings in areas with sewer and water to have at least six stories, and conform to the guidelines established by the Board.

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

(H) Wildlife habitat planning bylaws for the planned growth area that protect Significant Natural Communities, Rare, Threatened, and Endangered Species, and river corridors or exclude these areas from the proposed planned growth area.

(I) Permitted water and wastewater systems with the capacity to support additional development within the planned growth area. The municipality shall have adopted consistent policies, by municipal plan and ordinance, on the allocation, connection, and extension of water and wastewater lines that include a defined and mapped service area to support the planned growth area.
(J) Municipal staff adequate to support coordinated comprehensive and capital planning, development review, and zoning administration in the planned growth area.

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

(2) To obtain a Tier 1B planned growth area designation under this section, a municipality must demonstrate to the Board that it has the following requirements described in subdivisions (A), (E), (I), (J), and (K) of this subsection (b).

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

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

(1) A preapplication meeting shall be held with the Board staff, municipal staff, and staff of the relevant regional planning commission (RPC) to review the requirements of subsection (b) of this section. The meeting shall be held in the municipality unless another location is agreed to by the municipality.
(2) An application by the municipality shall include the information and analysis required by the Board’s guidelines on how to meet the requirements of subsection (b) of this section.

(3) The relevant regional planning commission shall establish a procedure for submission of a draft application that involves review and comment by all the parties to be noticed in subdivision (4)(A) of this subsection. The RPC shall issue a preapplication memorandum incorporating the comments to the applicant after receipt of a draft preliminary application and a preliminary approval or denial of the application. A municipality shall not submit an application to the Environmental Review Board unless it has been approved the RPC.

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

(A) Notice.

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

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

(iii) The notice shall also be posted by the municipality in or near
the municipal clerk’s office and in at least two other designated public places
in the municipality, and on the websites of the municipality and the regional
planning commission.

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

(B) No defect in the form or substance of any requirements of this
subsection (c) shall invalidate the action of the Board where reasonable efforts
are made to provide adequate posting and notice. However, the action shall be
invalid when the defective posting or notice was materially misleading in
content. If an action is ruled to be invalid by the Superior Court or by the
Board itself, the regional planning commission shall provide and the
municipality shall issue new posting and notice, and the Board shall hold a
new hearing and take a new action.
(5) The Board may recess the proceedings on any application pending submission of additional information. The Board shall close the proceedings promptly after all parties have submitted the requested information.

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

(d) Review of designation status.

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

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

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

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

(B) terminate the designation.

(e) Appeal.

(1) An interested person may appeal any act or decision of the Board under this section to the Supreme Court within 30 days following the act or decision.
(2) As used in this section, an “interested person” means any one of the following:

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

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

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

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

Sec. 26. PLANNED GROWTH AREA GUIDELINES

On or before January 1, 2026, the Environmental Review Board shall publish guidelines to direct municipalities seeking to obtain the planned growth area designation.

Sec. 27. 24 V.S.A. § 4382 is amended to read:
§ 4382. THE PLAN FOR A MUNICIPALITY

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

* * *

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

* * *

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

* * *

Sec. 28. 10 V.S.A. § 6081 is amended to read:

§ 6081. PERMITS REQUIRED; EXEMPTIONS

* * *

(z) Notwithstanding any other provision of this chapter to the contrary, no permit or permit amendment is required for any subdivision, development, or change to an existing project that is located entirely within a Tier 1A planned
growth area designated under section 6033 of this chapter. Notwithstanding

any other provision of this chapter to the contrary, no permit or permit

amendment is required for 50 units or fewer of housing on 10 acres or less

located entirely within a Tier 1B area approved by the Board under section

6033 of this chapter and 24 V.S.A. § 4348. Upon receiving notice and a copy

of the permit issued by an appropriate municipal panel pursuant to 24 V.S.A.

§ 4460(f), a previously issued permit for a development or subdivision located

in a planned growth area shall remain attached to the property. However,

neither the Board nor the Agency of Natural Resources shall enforce the permit

or assert amendment jurisdiction on the tract or tracts of land unless the

designation is revoked or the municipality has not taken any action to enforce

the conditions of the permit.

Sec. 29. 24 V.S.A. § 4460 is amended to read:

§ 4460. APPROPRIATE MUNICIPAL PANELS

* * *

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

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

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

V.S.A. § 6033; and

(C) has applied for a permit or permit amendment required by zoning

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

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

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

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

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

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

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

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

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

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

(b) Within a designated Tier 1A planned growth area or Tier 1B base growth area, the appropriate municipal panel shall enforce any existing permits issued under 10 V.S.A. chapter 151.

* * * Future Land Use Maps * * *

Sec. 30. 24 V.S.A. § 4302 is amended to read:

§4302. PURPOSE; GOALS

* * *

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

(1) To plan development so as to maintain the historic settlement pattern of compact village and urban centers separated by rural countryside.
(A) Intensive residential development should be encouraged primarily in areas related to community centers Downtowns, Village Centers, Planned Growth Areas and Village Areas as described in section 4348a of this title, and strip development along highways should be discouraged should be avoided. These areas should be planned so as to accommodate the majority of housing needed to reach the housing targets in developed for each region pursuant to section 4348a(a)(9) of this title.

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

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

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

***

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

(A) significant natural and fragile areas;
(B) outstanding water resources, including lakes, rivers, aquifers, shorelands, and wetlands;

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

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

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

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

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

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

* * *

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

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

provided for in section 4348a(a)(9) of this title.

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

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

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

* * *

(14) To encourage flood resilient communities.

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

(B) The protection and restoration of floodplains and upland forested areas that attenuate and moderate flooding and fluvial erosion should be encouraged.
Flood emergency preparedness and response planning should be encouraged.

* * *

Sec. 31. 24 V.S.A. § 4345a is amended to read:

§ 4345a. DUTIES OF REGIONAL PLANNING COMMISSIONS

A regional planning commission created under this chapter shall:

* * *

(5) Prepare a regional plan and amendments that are consistent with the goals established in section 4302 of this title, and compatible with approved municipal and adjoining regional plans. When preparing a regional plan, the regional planning commission shall:

(A) develop and carry out a process that will encourage and enable widespread citizen involvement and meaningful participation, as defined in 3 V.S.A. § 6002;

(B) develop a regional data base that is compatible with, useful to, and shared with the geographic information system established under 3 V.S.A. § 20;

(C) conduct capacity studies;

(D) identify areas of regional significance. Such areas may be, but are not limited to, historic sites, earth resources, rare and irreplaceable natural areas, recreation areas and scenic areas;
(E) use a land evaluation and site assessment system, that shall at a minimum use the criteria established by the Secretary of Agriculture, Food and Markets under 6 V.S.A. § 8, to identify viable agricultural lands consider the potential environmental benefits and environmental burdens, as defined in 3 V.S.A. §6002, of the proposed plan;

(F) consider the probable social and economic benefits and consequences of the proposed plan; and

(G) prepare a report explaining how the regional plan is consistent with the goals established in section 4302 of this title.

***

(11) Review proposed State capital expenditures prepared pursuant to 32 V.S.A. chapter 5 and the Transportation Program prepared pursuant to 19 V.S.A. chapter 1 for compatibility and consistency with regional plans and submit comments to the Secretaries of Transportation and Administration and the legislative committees of jurisdiction.

***

(17) As part of its regional plan, define a substantial regional impact, as the term may be used with respect to its region. This definition shall be given due consideration substantial deference, where relevant, in State municipal regulatory proceedings.

***
(21) Review and participate as an interested party in the municipal development review process for projects defined to have a substantial regional impact and are located in areas exempted under 10 V.S.A. § 6033.

Sec. 32. 24 V.S.A. § 4347 is amended to read:

§ 4347. PURPOSES OF REGIONAL PLAN

A regional plan shall be made with the general purpose of guiding and accomplishing a coordinated, efficient, equitable and economic development of the region which will, in accordance with the present and future needs and resources, best promote the health, safety, order, convenience, prosperity, and welfare of the current and future inhabitants as well as efficiency and economy in the process of development. This general purpose includes recommending a distribution of population and of the uses of the land for urbanization, trade, industry, habitation, recreation, agriculture, forestry, and other uses as will tend to:

(1) create conditions favorable to transportation, health, safety, civic activities, and educational and cultural opportunities;

(2) reduce the wastes of financial, energy, and human resources which result from either excessive congestion or excessive scattering of population;

(3) promote an efficient and economic utilization of drainage, energy, sanitary, and other facilities and resources;
(4) promote the conservation of the supply of food, water, energy, and minerals;

(5) promote the production of food and fiber resources and the reasonable use of mineral, water, and renewable energy resources; and

(6) promote the development of housing suitable to the needs of the region and its communities; and

(7) ensure that communities equitably build resilience to address the effects of climate change through mitigation and adaptation consistent with the Vermont Climate Action Plan adopted pursuant to 10 V.S.A. § 592.

Sec. 3. 24 V.S.A. § 4348 is amended to read:

§ 4348. ADOPTION AND AMENDMENT OF REGIONAL PLAN

(a) A regional planning commission shall adopt a regional plan. Any plan for a region, and any amendment thereof, shall be prepared by the regional planning commission. At the outset of the planning process and throughout the process, regional planning commissions shall solicit the participation of local citizens and organizations by holding informal working sessions that suit the needs of local people.

(b) 60 days prior to holding the first public hearing on a regional plan, a regional planning commission shall submit a draft regional plan to the Environmental Review Board and Agency of Commerce and Community Development for preliminary review and comments related to conformance of
the draft with sections 4302 and 4348a of this title, chapter 139 of this title, and 10 V.S.A. § 6001 with regards to critical resource areas. The Agency shall coordinate with other State agencies and respond within 60 days unless more time is granted by the regional planning commission.

(c) The regional planning commission shall hold two or more public hearings within the region after public notice on any proposed plan or amendment. The minimum number of required public hearings may be specified within the bylaws of the regional planning commission.

(e)(d) At least 30 days prior to the first hearing, a copy of the proposed plan or amendment, a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter, a description of any changes to the Regional Future Land Use Map, and the definition of substantial regional impact with a request for general comments and for specific comments with respect to the extent to which the plan or amendment is consistent with the goals established in section 4302 of this title, shall be delivered physically or electronically with proof of receipt or sent by certified mail, return receipt requested, to each of the following:

(1) the chair of the legislative body of each municipality within the region;
(2) the executive director of each abutting regional planning commission;

(3) the Department of Housing and Community Development within the Agency of Commerce and Community Development and the State Downtown Board for a formal review and recommendation;

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

(5) the Agency of Natural Resources and, the Agency of Agriculture, Food and Markets, the Agency of Transportation, the Department of Public Service, the Department of Public Safety’s Division of Emergency Management; and the Environmental Review Board.

(e)(f) Any of the foregoing bodies, or their representatives, may submit comments on the proposed regional plan or amendment to the regional planning commission and may appear and be heard in any proceeding with respect to the adoption of the proposed plan or amendment.

(e)(f) The regional planning commission may make revisions to the proposed plan or amendment at any time not less than 30 days prior to the final public hearing held under this section. If the proposal is changed, a copy of the proposed change shall be delivered physically or electronically with proof of receipt or by certified mail, return receipt requested, to the chair of the
legislative body of each municipality within the region, and to any individual or organization requesting a copy, at least 30 days prior to the final hearing.

(f)(g) A regional plan or amendment shall be adopted by not less than a 60 percent vote of the commissioners representing municipalities, in accordance with the bylaws of the regional planning commission, and immediately submitted to the legislative bodies of the municipalities that comprise the region. The plan or amendment shall be considered duly adopted and shall take effect 35 days after the date of adoption, unless, within 35 days of the date of adoption, the regional planning commission receives certification from the legislative bodies of a majority of the municipalities in the region vetoing the proposed plan or amendment. In case of such a veto, the plan or amendment shall be deemed rejected.

(h)(1) A regional planning commission shall submit its regionally adopted regional plan to the Environmental Review Board for a determination of regional plan compliance with the following: a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter, how the rural conservation area meets the definition of critical resource area established in 10 V.S.A. § 6001, a description of any changes to the regional plan future land use map, the definition of substantial regional impact, and a recommendation from the State Community Revitalization Board.
(2) Within 30 days after submittal of the plan, Environmental Review Board staff shall provide a recommendation and the Environmental Review Board shall warn a public hearing noticed at least 15 days in advance by direct mail or electronically with proof of receipt to the requesting regional planning commission, posting on the website of the Environmental Review Board, and publication in a newspaper of general circulation in the region affected. The regional planning commission shall notify their municipalities and post on their website the public hearing notice.

(3) The recommendation from the Community Revitalization Board shall receive substantial deference from the Environmental Review Board with respect to the mapping of proposed Downtowns, Village Centers, Planned Growth Areas, and Village Areas. The Environmental Review Board shall issue the determination in writing within 45 days after the receipt of a request for a determination. If the determination is affirmative, a copy of the determination shall be provided to the regional planning commission and the Environmental Review Board. If the determination is negative, the Environmental Review Board shall state the reasons for denial in writing and, if appropriate, suggest acceptable modifications. Submissions for a new determination that follow a negative determination shall receive a new determination within 45 days.
(4) The Environmental Review Board’s affirmative determination shall be based upon finding the regional plan meets the following requirements:

(A) Consistency with the State planning goals as described in section 4302 of this chapter with consistency determined in the manner described under subdivision 4302(f)(1) of this chapter.

(B) Consistency with the regional plan elements as described in section 4348a of this chapter, except that the requirements of section 4352 of this chapter related to enhanced energy planning shall be under the sole authority of the Public Service Department and shall not be reviewed by the Downtown Development Board.

(C) Compatibility with adjacent regional planning areas in the manner described under subdivision 4302(f)(2) of this chapter.

(i) Objections of interested parties.

(1) An interested party who has participated in the regional plan adoption process may object to the approval of the plan or approval of the future land use maps by the Environmental Review Board within 15 days of plan adoption by the regional planning commission. Participation is defined as providing written or verbal comments for consideration at a public hearing held by the regional planning commission. Objections shall be submitted using a form provided by the Environmental Review Board.
(2) As used in this section, an “interested party” means any one of the following:

(A) A person owning title to or occupying property within the region.

(B) Any 20 persons by signed petition who own property or reside within the region. The petition must designate one person to serve as the representative of the petitioners regarding all matters related to the appeal. The designated representative must have participated in the regional plan adoption process as described in subdivision (e)(1) of this section.

(C) A party entitled to notice under subsection (d) of this section.

(3) Any objection under this section shall be limited to the question of whether the regional plan is consistent with the regional plan elements and future land use areas as described in section 4348a of this title. The requirements of subdivision 4352 of this title related to enhanced energy planning shall be under the sole authority of the Department of Public Service and shall not be reviewed by the Environmental Review Board.

(4) the Environmental Review Board shall hear any objections of regional plan adoption concurrently with regional plan review under 4348(h) of this section and 10 V.S.A. § 6027. The Environmental Review Board decision of approval of a regional plan shall expressly evaluate any objections and state the reasons for their decisions in writing. If applicable, the decision to uphold an objection shall suggest modifications to the regional plan.
(j) Minor Amendments to Regional Future Land Use Plan. A regional planning commission and a municipality may submit a joint request for a minor amendment to boundaries of a future land use area pursuant to this chapter for consideration by the Environmental Review Board. The joint request may only be submitted after an affirmative vote of the municipal legislative body and the regional planning commission board. The Environmental Review Board, after consultation with the Community Revitalization Board and the regional planning commissions, shall provide guidance about what constitutes a minor amendment. Minor amendments may include any change to a future land use district consisting of less than 10 acres. A minor amendment to a Designated Area plan shall not require an amendment to a regional plan as outlined in section 4348 of this chapter. The Board may adopt rules to implement this section.

(k) An affirmative determination of regional plan compliance issued pursuant to this section shall remain in effect until the end of the period for expiration or readoption of the plan to which it applies.

(l) Regional planning commissions shall be provided up to 18 months from a negative determination by the Environmental Review Board to obtain an affirmative determination of regional plan compliance. If a regional planning commission is unable to obtain affirmative determination of regional plan
compliance, member municipalities shall lose benefits related to Designations, Act 250, or State infrastructure investments.

(m) Upon approval by the Environmental Review Board, the plan shall be considered duly adopted, shall take effect, and is not appealable. The plan shall be immediately submitted to the entities listed in subsection (d) of this section.

(n) Regional plans may be reviewed from time to time and may be amended in the light of new developments and changed conditions affecting the region. As specifically enabled in section 4348 of this title, minor amendments to the Designated Areas do not require the amendment of a regional plan. All minor amendments to future land use areas shall be compiled and included in the next iteration of the regional plan.

(o) In proceedings under 10 V.S.A. chapter 151, 10 V.S.A. chapter 159, and 30 V.S.A. § 248, in which the provisions of a regional plan or a municipal plan are relevant to the determination of any issue in those proceedings:

(1) the provisions of the regional plan shall be given effect to the extent that they are not in conflict with the provisions of a duly adopted municipal plan;

(2) to the extent that such a conflict exists, the regional plan shall be given effect if it is demonstrated that the project under consideration in the proceedings would have a substantial regional impact.
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1  (o) Regional planning commissions shall adopt a regional plan in
2  conformance this title by December 31, 2026.
3  
4  Sec. 34. 24 V.S.A. § 4348a is amended to read:
5  §4348a. ELEMENTS OF A REGIONAL PLAN
6  
7  (a) A regional plan shall be consistent with the goals established in section
8  4302 of this title and shall include the following:
9  
10  (1) A statement of basic policies of the region to guide the future growth
11  and development of land and of public services and facilities, and to protect the
12  environment.
13  
14  (2) A land-use natural resources and working lands element, which shall
15  consist of a map or maps and statement of present and prospective land uses
16  policies, based on ecosystem function, consistent with Vermont Conservation
17  Design, supports compact centers surrounded by rural and working lands, and
18  that:
19  
20  (A) Indicates those areas of significant natural resources, including
21  proposed for forests, wetlands, vernal pools, rare and irreplaceable natural
22  areas, floodplains, river corridors, recreation, agriculture, (using the
23  agricultural lands identification process established in 6 V.S.A. § 8), residence,
24  commerce, industry, public, and semi-public uses, open spaces, areas reserved
25  for flood plain, forest blocks, habitat connectors, recreation areas and
26  recreational trails, and areas identified by the State, regional planning
commissions, or municipalities that require special consideration for aquifer
protection; for wetland protection; for the maintenance of forest blocks,
wildlife habitat, and habitat connectors; or for other conservation purposes.

(B) Indicates those areas within the region that are likely candidates
for designation under sections 2793 (downtown development districts), 2793a
(village centers), 2793b (new town centers), and 2793c (growth centers) of this
title.

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

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

(E) Indicates those areas that have the potential to sustain agriculture
and recommendations for maintaining them which may include transfer of
development rights, acquisition of development rights, or farmer assistance
programs.
(E)(C) Indicates those areas that are important as forest blocks and
habitat connectors and plans for land development in those areas to minimize
forest fragmentation and promote the health, viability, and ecological function
of forests. A plan may include specific policies to encourage the active
management of those areas for wildlife habitat, water quality, timber
production, recreation, or other values or functions identified by the regional
planning commission.

(D) preservation of rare and irreplaceable natural areas, scenic and
historic features, and resources; and

(E) protection and improvement of the quality of waters of the State
to be used in the development and furtherance of the applicable basin plans
established by the Secretary of Natural Resources under 10 V.S.A. § 1253.

(3) An energy element, may include including an analysis of resources,
needs, scarcities, costs, and problems within the region across all energy
sectors, including electric, thermal, and transportation; a statement of policy on
the conservation and efficient use of energy and the development and siting of
renewable energy resources; a statement of policy on patterns and densities of
land use likely to result in conservation of energy; and an identification of
potential areas for the development and siting of renewable energy resources
and areas that are unsuitable for siting those resources or particular categories
or sizes of those resources.
(4) A transportation element, which may consist of a statement of present and prospective transportation and circulation facilities, and a map showing existing and proposed highways, including limited access highways, and streets by type and character of improvement, and where pertinent, anticipated points of congestion, parking facilities, transit routes, terminals, bicycle paths and trails, scenic roads, airports, railroads and port facilities, and other similar facilities or uses, and recommendations to meet future needs for such facilities, with indications of priorities of need, costs, and method of financing.

(5) A utility and facility element, consisting of a map and statement of present and prospective local and regional community facilities and public utilities, whether publicly or privately owned, showing existing and proposed educational, recreational and other public sites, buildings and facilities, including public schools, State office buildings, hospitals, libraries, power generating plants and transmission lines, wireless telecommunications facilities and ancillary improvements, water supply, sewage disposal, refuse disposal, storm drainage, and other similar facilities and activities, and recommendations to meet future needs for those facilities, with indications of priority of need.

(6) A statement of policies on the:

(A) preservation of rare and irreplaceable natural areas, scenic and historic features, and resources; and
(B) protection and improvement of the quality of waters of the State

to be used in the development and furtherance of the applicable basin plans

established by the Secretary of Natural Resources under 10 V.S.A. § 1253.

[Repealed.]

* * *

(12) A future land use element, based upon the elements in this section,

that sets forth the present and prospective location, amount, intensity, and

character of such land uses in relation to the provision of necessary community

facilities and services and that consists of a map delineating future land use

area boundaries for the land uses in subdivisions (A)–(J) of this subdivision

(12) as appropriate and any other special land use category the regional

planning commission deems necessary; descriptions of intended future land

uses; and policies intended to support the implementation of the future land use

element using the following land use categories:

(A) Downtown or Village Centers. These areas are the vibrant,

mixed-use centers bringing together community economic activity and civic

assets. They include downtowns, villages, and new town centers, previously

designated under chapter 76A and downtowns and village centers seeking

benefits under the State Designation Program under section 5804. The

Downtown or Village Centers are the central business and civic centers within

Planned Growth Areas, Village Areas, or may stand alone. Village centers are
not required to have municipal water, wastewater, zoning, or subdivision bylaws.

(B) Planned Growth Areas. These areas include the densest existing settlement and future growth areas with the highest concentrations of population, housing, and employment in each region and town, as appropriate. They include a mix of commercial, residential, and civic or cultural sites with active streetscapes, supported by land development regulations, public water, wastewater, or both, and multi-modal transportation systems. These areas include historic or new town centers, downtowns, village centers, growth centers, and neighborhood development areas previously designated under chapter 76A of this title. These areas should generally meet the smart growth principles definition in chapter 139 and the following criteria:

(i) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with section 4350 of this title and has adopted bylaws and regulations in accordance with sections 4414, 4418, and 4442 of this title.

(ii) This area is served by municipal water and wastewater infrastructure as defined in section 4303 of this title.

(iii) The area is generally within walking distance from the municipality’s or an adjacent municipality’s downtown, village center, new town center or growth center.
(iv) The area excludes identified flood hazard and fluvial erosion areas, except those areas containing preexisting development in areas suitable for infill development as defined in section 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

(v) The municipal plan indicates that this area is intended for higher density residential and mixed-use development.

(vi) The area provides for housing that meets the needs of a diversity of social and income groups in the community.

(vii) The area is served by planned or existing transportation infrastructure that conforms with “complete streets” principles as described under 19 V.S.A. § 309d and establishes pedestrian access directly to the downtown, village center, or new town center. Planned transportation infrastructure includes those investments included in the municipality’s capital improvement program.

(vii) Reflects a planned settlement pattern that, at full build-out, is not characterized by:

(I) scattered development located outside compact urban and village centers that is excessively land consumptive;

(II) development that limits transportation options, especially for pedestrians;

(III) the fragmentation of farmland and forestland;
(VI) development that is not serviced by municipal infrastructure or that requires the extension of municipal infrastructure across undeveloped lands in a manner that would extend service to lands located outside compact village and urban centers.

(V) linear development along well-traveled roads and highways that lack depth, as measured from the highway.

(C) Village Areas. These areas include the traditional settlement area or a proposed new settlement area, typically comprised of a cohesive mix of residential, civic, religious, commercial, and mixed-use buildings, arranged along a main street and intersecting streets that are within walking distance for residents who live within and surrounding the core. Village Areas shall have one of the following: municipal water, wastewater, or land development regulations. If no municipal wastewater is available, the area must have soils that are adequate for wastewater disposal. They provide some opportunity for infill development or new development areas where the village can grow and be flood resilient. These areas include existing village center designations and similar areas statewide, but this area is larger than the Village Center designation. Village areas must meet the following criteria:

(i) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with section 4350 of this title.
(ii) The municipality has adopted bylaws and regulations in accordance with sections 4414, 4418, and 4442 of this title.

(iii) Unless the municipality has adopted flood hazard and river corridor bylaws, applicable to the entire municipality, that are consistent with the standards established pursuant to subsection 755(b) of title 10 (flood hazard) and subsection 1428(b) of title 10 (river corridor), the area excludes identified flood hazard and fluvial erosion areas, except those areas containing preexisting development in areas suitable for infill development as defined in § 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

(D) Transition/Infill Area. These areas include areas of existing or planned commercial, office, mixed-use development, or residential uses either adjacent to a Planned Growth or Village Area or a new stand-alone Transition Area and served by, or planned for, municipal water or wastewater, or both.

The intent of this land use category is to transform these areas into higher-density, mixed-use settlements, or residential neighborhoods through infill and redevelopment or new development. New commercial strip auto-oriented development is not allowed as to prevent negatively impacting the economic vitality of commercial areas in the adjacent or nearby Planned Growth or Village Area. This area could also include adjacent greenfields safer from flooding and planned for future growth.
(E) Resource-Based Recreation Areas. These areas include large-scale resource-based, recreational facilities, often concentrated around ski resorts, lakeshores, or concentrated trail networks, that provide infrastructure, jobs, and housing to support recreational activities.

(F) Enterprise Areas. These areas include locations of high economic activity and employment that are not adjacent to Planned Growth Areas. These include industrial parks, areas of natural resource extraction, or other commercial uses that involve larger land areas. Enterprise areas typically have ready access to water supply, sewage disposal, electricity, and freight transportation networks.

(G) Hamlet. Small historic clusters of homes and perhaps a school, church, store, or other public buildings not planned for significant growth; no public water supply or wastewater systems; and mostly focused along one or two roads. These may be depicted as points on the future land use map.

(H) Rural; General. These areas include areas that promote the preservation of Vermont’s traditional working landscape and natural area features. They allow for low-density residential and sometimes limited commercial development that is compatible with productive lands and natural areas. This could also include an area that a municipality is planning to make more rural than it is currently.
(I) Rural; Agricultural and Forestry. These areas include blocks of forest or farmland that sustain resource industries, provide critical wildlife habitat and movement, outdoor recreation, flood storage, aquifer recharge, and scenic beauty, and contribute to economic well-being and quality of life. Development in these areas should be carefully managed to promote the working landscape and rural economy, and address regional goals, while protecting the agricultural and forest resource value.

(J) Rural; Conservation. These are critical resource areas as defined in 10 V.S.A. § 6001.

(b) The various elements and statements shall be correlated with the land use element and with each other. The maps called for by this section may be incorporated on one or more maps and may be referred to in each separate statement called for by this section.

*** Municipal Bylaws ***

Sec. 35. 24 V.S.A. § 4462 is amended to read:

§ 4462. COMBINED REVIEW

(a) If more than one type of review is required for a project, the reviews, to the extent feasible, shall be conducted concurrently. A process defining the sequence of review and issuance of decisions shall be defined in the bylaw.

(b) Local and, if applicable, State development review and permitting shall be coordinated for land development that constitutes a substantial regional
impact or for land development that generates 75 or more peak hour trip ends, according to the latest version of the ITE Trip Generation Manual, which is located in a geographic area exempt from Act 250 jurisdiction per 10 V.S.A. § 6081.

(1) Applicants for land development subject to this section are required to obtain and submit a State Project Review Sheet to the municipality for all applications requiring approval by the appropriate municipal panel.

(2) The municipality shall provide notification to all interested persons listed in section 4464 of this title for land development subject to this section.

(3) The appropriate municipal panel shall give due consideration to comments from State agencies identified as interested persons in section 4465 of this title in their decision making.

(4) The appropriate municipal panel may issue a decision conditioning a municipal decision upon the issuance of a State permit. If a transportation impact fee is required by the Secretary of Transportation, as enabled in 10 V.S.A. § 6104, the appropriate municipal panel shall condition any quasi-judicial decision upon payment of this fee. This authority shall not be deemed a conflict with subsection 4449(e) of this title.

(5) Administration. The administrative officer is enabled with the authority to enforce a decision of the appropriate municipal panel that
conditions municipal approval upon the issuance of a State permit. This
authority shall not be deemed a conflict with subsection 4449(e) of this title.

Sec. 36. 24 V.S.A. § 4464 is amended to read:

§ 4464. HEARING AND NOTICE REQUIREMENTS; DECISIONS AND
CONDITIONS; ADMINISTRATIVE REVIEW; ROLE OF
ADVISORY COMMISSIONS IN DEVELOPMENT REVIEW

(a) Notice procedures. All development review applications before an
appropriate municipal panel under procedures set forth in this chapter shall
require notice as follows:

(1) A warned public hearing shall be required for conditional use
review, variances, administrative officer appeals, and final plat review for
subdivisions. Any public notice for a warned public hearing shall be given no
less than 15 days prior to the date of the public hearing by all the following:

* * *

(D) Written notification to the regional planning commission of the
subject municipality and the Secretary of Transportation for all development
applications within areas exempt pursuant to 10 V.S.A. § 6081 that meet the
definition of substantial regional impact or that generate 75 or more peak hour
trip ends.

(E) For an application for a project located within 500 feet of a
municipal boundary, the notice shall be sent to the clerk and the chair of the
appropriate municipal panel of an adjacent municipality at least 15 days prior
to the public hearing.

(2) Public notice for hearings on all other types of development review,
including site plan review, shall be given not less than seven days prior to the
date of the public hearing, and shall include at a minimum all the following:

* * *

(C) Written notification to the regional planning commission of the
subject municipality and the Secretary of Transportation for all applications
requiring the approval of an appropriate municipal panel within areas exempt
pursuant to 10 V.SA. § 6081 that meet the definition of substantial regional
impact or that generate 75 or more peak hour trip ends.

(D) For an application for a project located within 500 feet of a
municipal boundary, the notice shall be sent to the clerk and the chair of the
appropriate municipal panel of an adjacent municipality at least seven days
prior to the public hearing.

* * *

(e) Role of regional planning commissions and the Agency of
Transportation. The regional planning commissions and the Agency of
Transportation, identified as interested persons in section 4465 of this title,
may participate only in proceedings regarding applications within areas exempt
pursuant to 10 V.SA. § 6081 that meet the definition of substantial regional
impact or that generate 75 or more peak hour trip ends. The regional planning commissions and the Agency of Transportation shall perform the following functions: review the application; inform the applicant about any State permitting and any other statutory requirements, including transportation impact fees as required by 10 V.S.A. § 6104, related to the proposed development; and prepare recommendations on each of the review standards within the commission’s or agency’s purview for consideration by the applicant. Recommendations may be shared with the appropriate municipal panel in order to coordinate municipal and State permit review. The regional planning commission or the Agency of Transportation may meet with the applicant or interested parties, or both; conduct site visits; and perform other fact-finding that will enable the preparation of recommendations.

Sec. 3. 24 V.S.A. § 4465 is amended to read:

§ 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

(a) An interested person may appeal any decision or act taken by the administrative officer in any municipality by filing a notice of appeal with the secretary of the board of adjustment or development review board of that municipality or with the clerk of that municipality if no such secretary has been elected. This notice of appeal must be filed within 15 days following the date of that decision or act, and a copy of the notice of appeal shall be filed with the administrative officer.
(b) As used in this chapter, an “interested person” means any one of the
following:

* * *

(6) The Agency of Transportation for all development applications
within areas exempt pursuant to 10 V.S.A. § 6081 that generate 75 or more
peak hour trip ends.

Sec. 38. 10 V.S.A. § 6104 is amended to read:

§ 6104. TRANSPORTATION IMPACT FEE; DISTRICT COMMISSION

* * *

(e) Within areas exempted from Act 250 pursuant to section 6081 of this
title, the Secretary of Transportation may exercise all powers of the District
Commission according to this chapter, including the ability to require a
transportation impact fee in accordance with section 6106 of this title, provided
the subject land development generates 75 or more peak hour trip ends on a
State Highway or Class 1 Town Highway or is required to obtain a permit per
19 V.S.A. § 1111.

Sec. 39. 19 V.S.A. §10b is amended to read:

§10b. STATEMENT OF POLICY; GENERAL

* * *

(c) In developing the State’s annual Transportation Program, the Agency
shall, consistent with the planning goals listed in 24 V.S.A. § 4302 and with
appropriate consideration substantial deference to local, regional, and State agency plans:

* * *

* * * Resilience Planning * * *

Sec. 40. 24 V.S.A. § 4306 is amended to read:

§ 4306. MUNICIPAL AND REGIONAL PLANNING AND RESILIENCE FUND

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

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

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

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

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

(C) 20 percent shall be disbursed to municipalities.

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

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

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

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

(ii) shall have voted at an annual or special meeting to provide local funds for municipal planning and resilience purposes and regional planning purposes.
(3) Of the annual disbursement to municipalities, an amount not to exceed 20 percent of the total may be disbursed to the Department to administer a program providing direct technical consulting assistance under retainer on a rolling basis to any eligible municipality to meet the requirements for designated neighborhood development area under chapter 76A of this title, provided that the municipality is eligible for funding under subdivision (2) of this subsection and meets funding guidelines established by the Department to ensure accessibility for lower capacity communities, municipal readiness, and statewide coverage.

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

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

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

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

(3) acquiring development rights, conservation easements, or title to those lands, areas, and strictures identified in either regional or municipal plans as requiring special consideration for provision of needed housing, aquifer protection, flood protection, climate resilience, open space, farmland preservation, or other conservation purposes; and
(4) reasonable and necessary costs of administering the Fund by the Department of Housing and Community Development, not to exceed six percent of the municipality allocation.

Sec. 41. MUNICIPAL PLANNING AND RESILIENCE GRANT PROGRAM

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

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

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

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

Sec. 42. CLIMATE RESILIENCY PLANNING POSITIONS
(a) In addition to other funds appropriated to the Agency of Commerce and Community Development in fiscal year 2025, $125,000.00 is appropriated from the General Fund to the Agency for the purpose of creating a new permanent full-time position to staff the climate resiliency grants from the Municipal Planning and Resilience Grant Program.

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

*** Designated Areas Update ***

Sec. 43 REPEAL

24 V.S.A. chapter 76A is repealed.

Sec. 44. 24 V.S.A. chapter 139 is added to read:

CHAPTER 139. STATE COMMUNITY REVITALIZATION PROGRAM

§ 5801. DEFINITIONS

As used in this chapter:

(1) “Community Revitalization Program” means the program established in this chapter, as adapted from the former Designated Areas
Program formerly in chapter 76A of this title. Statutory references outside this chapter referring to the former State Designated Village Centers, Downtown, and New Town Centers shall mean Designated Center, once established.

Statutory references outside this chapter referring to the former State Designated Growth Centers and Neighborhood Development areas shall mean Designated Neighborhood, once established.

(2) “Complete streets” or “Complete street principles” has the same meaning as in 19 V.S.A. chapter 24.

(3) “Department” means the Department of Housing and Community Development.

(4) “Downtown” or “Village” means the

(5) “Downtown Center” or “Village Center” means areas on the regional plan future land use maps which may be designated as a Center consistent with section 4348a of this title.

(6) “Infill” means the use of vacant land or property or the redevelopment of existing buildings within a built-up area for further construction or land development.

(7) “Local downtown organization” means either a nonprofit corporation, or a board, council, or commission created by the legislative body of the municipality, whose primary purpose is to administer and implement the
community reinvestment agreement and other matters regarding the revitalization of the downtown.

(8) “Planned Growth Area” means an area on the regional plan future land use maps pursuant to section 4348a of this title, which may encompass a Downtown Center or Village Center on the regional future land use map and may be designated as a Center or Neighborhood or both.

(9) “Regional plan future land use map” means the map prepared pursuant to 24 V.S.A. § 4348a.

(10) “Smart growth principles” means growth that:

(A) Maintains the historic development pattern of compact village and urban centers separated by rural countryside.

(B) Develops compact mixed-use centers at a scale appropriate for the community and the region.

(C) Enables choice in modes of transportation.

(D) Protects the State’s important environmental, natural, and historic features, including natural areas, water quality, scenic resources, and historic sites and districts.

(E) Serves to strengthen agricultural and forest industries and minimizes conflicts of development with these industries.

(F) Balances growth with the availability of economic and efficient public utilities and services.
(G) Supports a diversity of viable businesses in downtowns and villages.

(H) Provides for housing that meets the needs of a diversity of social and income groups in each community.

(I) Reflects a settlement pattern that, at full build-out, is not characterized by:

(i) scattered development located outside compact urban and village centers that is excessively land consumptive and inefficient;

(ii) development that limits transportation options, especially for pedestrians, bicyclists, transit users, and people with disabilities;

(iii) the fragmentation of farmland and forestland;

(iv) development that makes inefficient use of land, energy, roads, utilities, and other supporting infrastructure or that requires the extension of infrastructure across undeveloped lands outside compact, villages, downtowns, or urban centers; and

(v) development that contributes to a pattern of strip linear development along well-traveled roads and highways that lacks depth, as measured from the highway.

(11) “Sprawl repair” means the redevelopment of lands developed with buildings, traffic and circulation, parking, or other land coverage in pattern that
is consistent with smart growth principles and is served by a complete street connecting to a proximate Center and served by water and sewer infrastructure.

(12) “State Board” means the Vermont Community Revitalization Board established in section 5802 of this title.

(13) “State Designated Downtown and Village Center” or “Center” means a contiguous Downtown or Village area designated by Environmental Review Board under 10 V.S.A. § 6033, which may include an approved pre-existing designated village center, designated downtown, or designated new town center established prior to the approval of the regional plan future land use maps. It shall encompass an area that extends access to benefits that sustain and revitalize existing buildings and maintain the basis of the program’s original focus on revitalizing historic downtowns and villages by promoting development patterns and historic preservation practices vital to Vermont’s economy, cultural landscape, equity of opportunity, and climate resilience.

(14) “State Designated Neighborhood” or “Neighborhood” means a contiguous geographic area designated by the Environmental Review Board under 10 V.S.A. § 6033 that is adjacent and contiguous to a Designated Center, which may include an approved and pre-existing designated neighborhood development area or growth center established prior to approval of the regional plan future land use maps. It means an area that is compact, principally
walkable to a Designated Center, principally served by complete streets, primarily including historic areas, and may include areas transitioning to complete streets and smart growth through municipal capital planning, programming, and budgeting in complete streets accordance with Section 4430 (Capital Budget and Program) of this title.

(15) “Tier 1A Planned Growth Area” means a geographic area designated by the Environmental Review Board under 10 V.S.A. § 6033 that overlays a Designated Downtown and Village Center or Designated Neighborhood.

(16) “Vermont Downtown Program” means a Main Street America Coordinating Program that helps support community revitalization and economic vitality while preserving the historic character of Vermont’s Downtown Cores. The Vermont Downtown Program provides downtowns with financial incentives, training and technical assistance supporting local efforts to restore historic buildings, improve housing, design walkable communities, and encourage economic development by incentivizing public and private investments.

(17) “Village Area” means an area on the regional plan future land use maps pursuant to section 4348a of this title, which may encompass a Village Center on the regional future land use map.

§ 5802. VERMONT COMMUNITY REVITALIZATION BOARD
(a) A Vermont Community Revitalization Board also referred to as the 
“State Board,” is created to administer the provisions of this chapter. The State 
Board shall be composed of the following members or their designees:

(1) the Secretary of Commerce and Community Development;
(2) the Secretary of Transportation;
(3) the Secretary of Natural Resources;
(4) the Commissioner of Public Safety;
(5) the State Historic Preservation Officer;
(6) a member of the community designated the Director of Racial 
Equity;
(7) a person, appointed by the Governor from a list of three names 
submitted by the Vermont Natural Resources Council and the Preservation 
Trust of Vermont;
(8) a person, appointed by the Governor from a list of three names 
submitted by the Association of Chamber Executives;
(9) three public members representative of local government, one of 
whom shall be designated by the Vermont League of Cities and Towns and 
two of whom shall be appointed by the Governor;
(10) the Executive Director of the Vermont Bond Bank;
(11) the State Treasurer;
(12) a member of the Vermont Planners Association designated by the Association;

(13) the Chair of the Environmental Review Board; and

(14) a representative of a Regional planning commission designated by the Vermont Association of Planning and Development Agencies Region.

(b) The State Board shall elect a chair and vice chair from among its membership.

(c) The Department shall provide legal, staff, and administrative support to the State Board in cooperation with the ERB, shall produce guidelines to direct municipalities seeking to obtain designation under this chapter and for other purposes established by this chapter; and shall pay per diem compensation for board members pursuant to 32 V.S.A. § 1010(b).

(d) The State Board shall meet at least quarterly.

(e) The State Board shall have authority to adopt rules of procedure to use for appeal of its decisions and rules on handling conflicts of interest.

(f) In addition to any other duties confirmed by law, the State Board shall have the following duties:

(1) to serve as the funding and benefits coordination body for the State Community Revitalization Program;

(2) to review and issue recommendations on proposed regional plan future land use maps prepared by the regional planning commission and
presented to the Environmental Review Board for Designated Center and
Designated Neighborhood recognition under 10 V.S.A. § 6033:

(3) to recommend to the ERB conditioned designation approvals
and modifications to the regional plan future land use maps presented for
the designated areas:

(4) to recommend suspension or removal of a designation approved by
the Environmental Review Board:

(5) to award tax credits under the 32 V.S.A. § 5930aa et seq.;

(6) to manage the Downtown Transportation and Related Capital
Improvement Fund Program established by section 5808 of this title;

(7) to have standing in regional plan approvals before the
Environmental Review Board; and

(8) to review and comment on Environmental Review Board guidelines,

§ 5803. MAPPING BY REGIONAL PLANNING COMMISSIONS

(a) The regional plan future land use map developed per section 4348a of
this title shall delineate areas within the regional planning commission’s
member municipalities that are eligible to receive designation benefits as
 Centers and Neighborhoods when the future land use map is approved by the
ERB per 10 V.S.A. § 6033. The areas eligible for designation shall be
identified on the regional plan future land use map as regional Downtown
Centers, Village Centers, Planned Growth Area, and Village Areas in a manner consistent with this chapter. This methodology shall include all approved designated downtowns, villages, new town centers, neighborhood development areas, and growth centers existing on July 1, 2024, unless the subject member municipality requests otherwise.

(b) Exclusions. With the exception for preexisting, nonconforming designations approved prior to the establishment of the program under this chapter, the areas eligible for designation benefits upon the ERB approval of the regional plan future land use map for designation as a Center shall not include leap-frog development that is disconnected from a Center and that lacks a pedestrian connection to the Center via a complete street.

(e) A proposed Planned Growth Areas for State designation may be mapped by a municipality in consultation with the regional planning commission pursuant to section 5806 of this title.

(d) The Vermont Association of Planning and Development Agencies (VAPDA) shall develop a standard methodology for the regional plan future land use maps that shall include the areas eligible for designation under this chapter which shall integrate consistent elements in the municipal and regional plan.

(e) On or before December 31, 2024, the VAPDA shall develop standard methodology and process for the mapping of areas eligible for designation.
under 10 V.S.A. § 6033 in consultation with the Department and

Environmental Review Board that shall integrate elements in the regional plan
and plan for a municipality. The methodology and process shall recommend a
streamlined procedure for minor amendments by the ERB to the boundaries of
the approved designated areas upon request by member municipalities to map
eligible areas for designation under this chapter.

(f) Any regional planning commission may issue independent comments to
the panel or State Board on a proposed regional plan future land use map. The
VAPDA shall develop a pre-adoption process by which the Department and
Environmental Review Board can review the proposed regional plan future
land use maps and issue findings on conformance with this chapter and chapter
117 of this title.

(g) The regional plan future land use map shall be submitted to the
Environmental Review Board for review and approval with the advice and
consent of the Department and State Board on those Downtown and Village
Centers and Neighborhoods areas per section 4348 of this title.

§ 5804. DESIGNATION OF DOWNTOWN AND VILLAGE CENTERS

(a) Designation established. A regional planning commission may apply to
the Environmental Review Board for approval and designation of all Centers
by submitting the regional plan future land use map adopted by the regional
planning commission. The Environmental Review Board shall seek the advice
and consent of the Department and State Board on areas eligible for Center
Designation as provided under this chapter.

(1) A preapplication meeting shall be held with Environmental Review
Board and Department staff to review the program requirements at least 60
days prior to submission and review of the regional planning commission
future land use map and adjoining regional planning commission review. The
meeting shall be held in the regional planning commission unless the regional
planning commission agrees to another location.

(2) An application by a regional planning commission shall contain the
regional plan future land use map that delineates all centers eligible for
designation within the municipalities throughout the region. The regional plan
future land use map shall identify Downtown Centers and Village Centers as
the downtown and village areas eligible for designation as Centers. The
application shall also include evidence that the municipalities have been
notified of the regional planning commission’s intent to apply, evidence that
notice of its application has been published on the regional planning
commission’s website, and information showing that the eligible regional land
use areas that the standards for designation established in this chapter.

(b) Inclusions. The areas mapped by the regional planning commissions as
a center shall allow for the designation of preexisting, approved village centers.
downtown centers, and new town centers in existence on or before December 25, 2025.

(c) Approval. The Environmental Review Board shall conduct its review pursuant to section 4348 of this title.

(d) Transition. All designated village centers, new town centers, or downtowns existing as of December 31, 2025 will retain current benefits until June 30, 2026 or until approval of the regional future land use maps by the ERB, whichever comes first. All existing designations in effect December 31, 2025 will expire June 30, 2026 if the regional planning commission does not receive State Board approval of the regional plan future land use maps under this chapter. All benefits for preexisting designated village centers, downtowns, and new town centers that are removed under this chapter shall remain with the prior designations existing as of December 31, 2025 until July 1, 2032. Prior to June 30, 2026, no renewal shall be required for the preexisting designations. New applications may be approved by the State Board prior to the approval of a regional future land use map under former chapter 76A of this title by the State Board until December 31, 2025. The last day to submit an application for designation prior to December 31, 2025 will be October 1, 2025.

(e) Benefits Steps. A Center may receive the benefits associated with the steps in this chapter by meeting the established requirements. The Department
shall review applications from municipalities to advance from Step One to Two and from Step Two to Three and issue written decisions. If a municipal application is rejected by the Department, the municipality may appeal the administrative decision to the State Board. To maintain an established Step 3 Center after the initial approval of regional plan future land use map by the ERB, the municipality shall apply for renewal and meet the program requirements upon application for approval of a regional plan future land use map. Step 3 designations that are not approved for renewal revert to Step 2. The municipality may appeal the administrative decision of the Department to the State Board. The Department shall review applications and issue a written administrative decision within 30 days of regional future land use map approval. Appeals of administrative decisions shall be heard by the State Board at the next meeting following a timely filing stating the reasons for the appeal. The Department may issue guidelines to administer these steps. The State Board’s decision is final.

(1) Step One.

(A) Requirements. Step One is established to create an accessible and low-barrier entry point for all villages throughout the State to access site-based improvement supports and conduct initial planning. All downtown and village centers shall automatically reach Step One upon approval of the regional plan future land use map by the Environmental Review Board.
Regional plan future land use maps supersede preexisting designated areas that may already meet the Step One requirement.

(B) Benefits. A Center that reaches Step One is eligible for the following benefits:

(i) funding and technical assistance for site-based projects, including the Better Places Grant Program, access to the Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq., and other programs identified in the Department’s guidelines; and

(ii) funding for developing or amending the municipal plan, visioning, and assessments.

(2) Step Two.

(A) Requirements. Step Two is established to create a mid-level entry point for emerging villages throughout the State to build planning and implementation capacity for community-scale projects. A Center reaches Step Two if it:

(i) meets the requirements of Step One or if it has an approved village center or new town center under 76A upon initial approval of the regional plan future land use map and prior to December 31, 2026;

(ii) has a confirmed municipal planning process; and

(iii) has a municipal plan with goals for investment in the Center.
(B) Benefits. In addition to the benefits of Step One, a Center that reaches Step Two is eligible for the following benefits:

(i) general grant priority for bylaws and special-purpose plans, area improvement or reinvestment plans, including priority consideration for the Better Connections Program and other applicable programs identified by Department guidance, and for capital plans.

(ii) funding priority for infrastructure project scoping, design, engineering, and construction by the State Program;

(iii) the authority to create a special taxing district pursuant to chapter 87 of this title for the purpose of financing both capital and operating costs of a project within the boundaries of a Center:

(iv) priority consideration for State and Federal affordable housing funding;

(v) authority for the municipal legislative body to lower speed limits less than 25 mph within the Center under 23 V.S.A. § 1007(g).

(vi) State wastewater permit fees capped at $50.00 for residential development under 3 V.S.A. § 2822;

(vii) exemption from the land gains tax under 32 V.S.A. § 10002(p); and

(viii) assistance and guidance from the Department for establishing local historic preservation regulations.
(3) Step Three.

   (A) Requirements. Step Three is established to create the higher-level entry point for downtowns throughout the State to create vibrant mixed-use centers. A Center reaches Step Three and achieves status or maintains Step 3 as a Downtown if the Department finds that it meets the following requirements:

   (i) Meets the requirements of Step Two, or if it has an existing downtown designated under chapter 76A in effect upon initial approval of the regional future land use map and prior to December 31, 2026.

   (ii) Is listed or eligible for listing in the National Register of Historic Places.

   (iii) Has a downtown improvement plan.

   (iv) Has a downtown investment agreement.

   (v) Has a capital plan adopted under 4430 of this title that implements the downtown improvement plan.

   (vi) Has a Local Downtown Organization with an organizational structure necessary to sustain a comprehensive long-term downtown revitalization effort, including a local downtown organization that will collaborate with municipal departments, local businesses, and local nonprofit organizations. The Local Downtown Organization shall work to:
I. enhance the physical appearance and livability of the downtown district by implementing local policies that promote the use and rehabilitation of historic and existing buildings, by developing pedestrian-oriented design requirements, by encouraging new development and infill that satisfy such design requirements, and by supporting long-term planning that is consistent with the goals set forth in section 4302 of this title;

II. build consensus and cooperation among the many groups and individuals who have a role in the planning, development, and revitalization process;

III. market the assets of the downtown district to customers, potential investors, new businesses, local citizens, and visitors;

IV. strengthen, diversify, and increase the economic activity within the downtown district; and

V. measure annually progress and achievements of the revitalization efforts as required by Department guidelines.

(vii) Has available public water and wastewater service and capacity.

(viii) Has permanent zoning and subdivision bylaws.

(ix) Has adopted historic preservation regulations for the district with a demonstrated a commitment to protect and enhance the historic character of the downtown through the adoption of bylaws that adequately
meet the historic preservation requirements in subdivisions 4414(1)(E) and (F)
of this title, unless recognized by the program as a preexisting designated new
town center.

(x) Has adopted design or form-based regulations that adequately
regulate the physical form and scale of development.

(B) Benefits. In addition to the benefits of Steps One and Two, a
municipality that reaches Step Three is eligible for the following benefits:

(i) Funding for the local downtown organization and technical
assistance from the Vermont Downtown Program for the Center.

(ii) Tax Increment Financing location pursuant to 32 V.S.A. § 5404a.

(iii) A reallocation of receipts related to the tax imposed on sales
of construction materials as provided in 32 V.S.A. § 9819.

(iv) Eligibility to receive National Main Street Accreditation from
Main Street America through the Vermont Downtown Program.

(v) Signage options 10 V.S.A. § 494 (13) and (17).

(vi) Certain housing appeal limitations pursuant to chapter 117 of
this title.

(vii) Highest priority for locating proposed State functions by the
Commissioner of Buildings and General Services or other State officials, in
consultation with the municipality, Department, State Board, the General
Assembly committees of jurisdiction for the Capital Budget, the host regional planning commission. When a downtown location is not suitable, the Commissioner shall issue written findings to the consulted parties demonstrating how the suitability of the State function to a downtown location is not feasible.

(viii) Funding for infrastructure project scoping, design, engineering, including participation in the Downtown Transportation and Related Capital Improvement Fund Program established by section 5808 of this title.

(f) Appeal. A decision of the Environmental Review Board on regional plan future land use map approval for designations under this section may be appealed to the Environmental Division of the Superior Court within 15 days following the issuance of the written decision.

§ 5805. DESIGNATED NEIGHBORHOOD

(a) Designation established.

(1) A regional planning commission may request approval from the Environmental Review Board for designation of areas on the regional plan future land use maps as a Designated Neighborhood per 10 V.S.A. § 6033. Areas eligible for designation include Planned Growth Area and Village Areas identified on the regional plan future land use map. This designation recognizes that the vitality of downtowns and villages and their adjacent
neighborhoods, and that the benefits structure must ensure that any subsidy for
sprawl repair or infill development locations within a Neighborhood is
secondary to a primary commitment to maintain the livability and maximize
the climate resilience and flood-safe infill potential of these areas.

(2) Approval of planned growth areas and village areas as designated
neighborhoods shall follow the same process as approval for designated
centers per 10 V.S.A. § 6033 and consistent with sections 4348 and 4348a of
this title.

(3) An application by a regional planning commission shall contain the
regional plan future land use map that accurately delineates the Planned
Growth Area and Village Areas as the areas eligible for designation as
Neighborhoods. The application shall also include evidence that the
municipalities have been notified of the regional planning commission’s intent
to apply, evidence that notice of its application has been published on the
commission’s website, and information showing that the district meets the
standards for designation established in subsection (d) of this section.

(b) Exclusions. The areas eligible for designation as a Neighborhood shall
not include the excluded regional areas identified on the regional plan future
land use map and flood hazard and fluvial erosion areas, except those areas
containing preexisting development in areas suitable for infill development as
defined in section 29-201 of the Vermont Flood Hazard Area and River Corridor Rule, as determined by the Agency of Natural Resources.

(e) Approval. The Environmental Review Board shall hold a hearing to approve a regional plan future land use map within 90 days following the receipt of a complete application and forward the application to the Department within 15 days. The State Board shall hold a hearing on a complete application to review the regional plan future land use map within 60 days following the receipt of a complete application. The State Board shall issue a written decision that the regional future land use map has met the requirements described in subsection (d) of this section and forward its decisions to the Environmental Review Board. The Environmental Review Board shall issue specific written findings if its decision does not accept the State Board’s determination for community revitalization boundaries.

(d) Transition. Any municipality with an existing designated growth center or neighborhood development area will retain current benefits until July 1, 2029 or upon approval of the regional plan future land use maps, whichever comes first. All existing neighborhood development area and growth center designations in effect July 1, 2024 will expire July 1, 2029 if the regional planning commission does not gain approval. All benefits that are removed for neighborhood development areas and growth centers under this chapter shall remain active with prior designations existing as of July 1, 2024 until July 1,
2032. During the period of transition, no renewal shall be required for the existing designations. Prior to the approval of a regional plan future land use map by the State Board, only neighborhood development area designations may be approved by the State Board.

(e) Requirements. A Designated Neighborhood shall meet requirements for planned growth area or village area as described in section 4348a of this title.

(1) has an existing growth centers and neighborhood development areas in effect July 1, 2024 or is an area located within a Regional Planned Growth Area or Regional Village Area on a regional plan future land use map;

(2) is anchored by a contiguous Center designated under this chapter, unless recognized by the program as a preexisting designated neighborhood development area or a growth center or otherwise separated by a river corridor or flood hazard area;

(3) has a confirmed municipal planning process;

(4) has implemented the Complete Streets principals or has a capital plan under section 4430 of this title to implement Complete Streets principals; and

(5) has adopted permanent zoning and subdivision bylaws that adequately allow housing.
(f) Benefits. A Designated Neighborhood is eligible for the following benefits:

(1) general grant priority for bylaws and special-purpose plans, area improvement or reinvestment plans, including the Better Connections Program and other programs identified in Department guidance, and for capital plans;

(2) funding priority for infrastructure project scoping, design, engineering, and construction by State programs;

(3) access to the Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq.;

(4) priority consideration for State and federal affordable housing funding;

(5) priority for funding for neighborhood infrastructure; housing appeal limitations under chapter 117 of this title;

(6) authority for the municipal legislative body to lower speed limits to 25 mph within the Neighborhood;

(7) application fee limit for State wastewater applications stated in 3 V.S.A. § 2822(j)(4)(D); and

(8) exclusion from the land gains tax provided by 32 V.S.A. § 10002(p) limitations pursuant to chapter 117 of this title.
(g) Appeal. A decision of the Board on designation under this section may be appealed to the Environmental Review Board within 15 days following the issuance of the decision.

§ 5806. DESIGNATION OF A PLANNED GROWTH AREA

§ 5807. TRANSITION

(a) On or before June 30, 2026, the regional planning commissions shall update the regional plan future land use maps to delineate Downtown or Village Centers, Planned Growth Areas, which may encompass a Downtown Center and Village Center, and Village Areas. Notwithstanding other provisions in this chapter, new applications for designation under the prior 76A framework shall end upon approval of a regional plan future land use map by the ERB.

(b) Until June 30, 2026, any municipality with an existing designated downtown, village center, or new town center may be granted a Center designation by the State Downtown and Village Board through approval of the regional plan future land use map.

(c) Until June 30, 2026, any municipality with an existing designated neighborhood development area or growth center may be granted a Designated Neighborhood by the State Downtown and Village Board, through approval of a regional plan future land use map.

§ 5808. DESIGNATION DATA CENTER
The Department shall maintain an online Municipal Planning Data Center publishing approved regional plan future land use maps and indicating the status of each approved designation within the region, and associated steps for Centers.

§ 5809. MUNICIPAL TECHNICAL ASSISTANCE

(a) The Commissioner of Housing and Community Development shall develop a procedure for providing interagency technical assistance to municipalities participating in the programs under this chapter.

(b) The procedure shall include interagency assistance and address the following:

(1) general project advising and scoping services;

(2) physical improvement design services;

(3) regulatory and policy-making project services;

(4) programmatic and project management services; and

(5) legislative recommendations to the General Assembly to better align designation benefits with strategic priorities on or before December 15, 2026.

(c) Procedures and recommendations shall address statutory State agency plans with a focus on the following strategic priorities for municipal and community development assistance:

(1) housing development growth and equity;

(2) climate resilience;
(3) coordinated infrastructure investment;

(4) local administrative capacity;

(5) equity, diversity, and access;

(6) livability and social service; and

(7) historic preservation.

§ 5810. DOWNTOWN TRANSPORTATION AND RELATED CAPITAL

IMPROVEMENT FUND

(a) There is created a Downtown Transportation and Related Capital Improvement Fund, which shall be a special fund created under 32 V.S.A. chapter 7, subchapter 5, to be administered by the State Board in accordance with this chapter to aid municipalities with designated Centers in financing capital transportation and related improvement projects to support economic development. This shall be the same Fund that was created under the prior section 2796 of this title.

(b) The Fund shall be composed of the following:

(1) State or federal funds as may be appropriated by the General Assembly;

(2) any gifts, grants, or other contributions to the Fund; and

(3) proceeds from the issuance of general obligation bonds.

(c) Any municipality with a designated Center may apply to the Board for financial assistance from the Fund for capital transportation and related
improvement projects within or serving the district. The Board may award to
any municipality grants in amounts not to exceed $250,000.00 annually, loans,
or loan guarantees for financing capital transportation projects, including
construction or alteration of roads and highways, parking facilities, and rail or
bus facilities or equipment, or for the underground relocation of electric utility,
cable, and telecommunications lines, but shall not include assistance for
operating costs. Grants awarded by the Board shall not exceed 80 percent of
the overall cost of the project. The approval of the Board may be conditioned
upon the repayment to the Fund of some or all of the amount of a loan or other
financial benefits and such repayment may be from local taxes, fees, or other
local revenues sources. The Board shall consider geographical distribution in
awarding the resources of the Fund.

(d) The Fund shall be available to the Department of Housing and
Community Development for the reasonable and necessary costs of
administering the Fund. The amount projected to be spent on administration
shall be included in the Department’s fiscal year budget presentations to the
General Assembly.

§ 5811. PROPERTY ASSESSMENT FUND; BROWNFIELDS AND
REDEVELOPMENT; COMPETITIVE PROGRAM

(a) There is created a Property Assessment Fund pursuant to 32 V.S.A.
chapter 7, subchapter 5 to be administered by the Department of Housing and
Community Development for the purpose of providing financing, on a competitive basis, to municipalities that demonstrate a financial need in order to determine and evaluate a full assessment of the extent and the cost of remediation of property, or in the case of an existing building, an assessment that supports a clear plan, including the associated costs of renovation to bring the building into compliance with State and local building codes. This shall be the same Fund that was created under the prior section 2797 of this title.

(b) The Fund shall be composed of the following:

(1) State or federal funds that may be appropriated by the General Assembly;

(2) any gifts, grants, or other contributions to the funds; and

(3) proceeds from the issuance of general obligation bonds.

(c) A municipality deemed financially eligible may apply to the Fund for the assessment of property and existing buildings proposed for redevelopment, provided the Department finds that the property or building:

(1) is not likely to be renovated or improved without the preliminary assessment; and

(2) when renovated or redeveloped, will integrate and be compatible with any applicable and approved regional development, capital, and municipal plans; is expected to create new property tax if developed by a taxable entity;
and is expected to reduce pressure for development on open or undeveloped
land in the local community or in the regional planning commission.

(d) The Department shall distribute funds under this section in a manner
that provides funding for assessment projects of various sizes in as many
geographical areas of the State as possible and may require matching funds
from the municipality in which an assessment project is conducted.

§ 5812. BETTER PLACES PROGRAM; CROWD GRANTING

(a)(1) There is created the Better Places Program within the Department of
Housing and Community Development, and the Better Places Fund, which the
Department shall manage pursuant to 32 V.S.A. chapter 7, subchapter 5. This
shall be the same Fund created under the prior section 2799 of this title.

(2) The purpose of the Program is to utilize crowdfunding to spark
community revitalization through collaborative grantmaking for projects that
create, activate, or revitalize public spaces.

(3) The Department may administer the Program in coordination with
and support from other State agencies and nonprofit and philanthropic partners.

(b) The Fund is composed of the following:

(1) State or federal funds appropriated by the General Assembly;

(2) gifts, grants, or other contributions to the Fund; and

(3) any interest earned by the Fund.
(c) As used in this section, “public space” means an area or place that is open and accessible to all people with no charge for admission and includes village greens, squares, parks, community centers, town halls, libraries, and other publicly accessible buildings and connecting spaces such as sidewalks, streets, alleys, and trails.

(d)(1) The Department of Housing and Community Development shall establish an application process, eligibility criteria, and criteria for prioritizing assistance for awarding grants through the Program.

(2) The Department may award a grant to a municipality, a nonprofit organization, or a community group with a fiscal sponsor for a project that is located in or serves an area designated under this chapter that will create a new public space or revitalize or activate an existing public space.

(3) The Department may award a grant to not more than three projects per calendar year within a municipality.

(4) The minimum amount of a grant award is $5,000.00, and the maximum amount of a grant award is $40,000.00.

(5) The Department shall develop matching grant eligibility requirements to ensure a broad base of community and financial support for the project, subject to the following:

(A) A project shall include in-kind support and matching funds raised through a crowdfunding approach that includes multiple donors.
(B) An applicant may not donate to its own crowdfunding campaign.

(C) A donor may not contribute more than $10,000.00 or 35 percent of the campaign goal, whichever is less.

(D) An applicant shall provide matching funds raised through crowdfunding of not less than 33 percent of the grant award. The Department may require a higher percent of matching funds for certain project areas to ensure equitable distribution of resources across Vermont.

(e) The Department of Housing and Community Development, with the assistance of a fiscal agent, shall distribute funds under this section in a manner that provides funding for projects of various sizes in as many geographical areas of the State as possible.

(f) The Department of Housing and Community Development may use up to 15 percent of any appropriation to the Fund from the General Fund to assist with crowdfunding, administration, training, and technological needs of the Program.

Sec. 4. 32 V.S.A. § 5930aa is amended to read:

§ 5930aa. DEFINITIONS

As used in this subchapter:

* * *

(2) “Qualified building” means a building built at least 30 years before the date of application, located within a designated downtown, village center,
or neighborhood development area Center or Neighborhood, which, upon completion of the project supported by the tax credit, will be an income-producing building not used solely as a single-family residence. Churches and other buildings owned by religious organization may be qualified buildings, but in no event shall tax credits be used for religious worship.

(3) “Qualified code improvement project” means a project:

(A) to install or improve platform lifts suitable for transporting personal mobility devices, limited use or limited application elevators, elevators, sprinkler systems, and capital improvements in a qualified building, and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the Department of Public Safety;

(B) to abate lead paint conditions or other substances hazardous to human health or safety in a qualified building; or

(C) to redevelop a contaminated property in a designated downtown, village center, or neighborhood development area Center or Neighborhood under a plan approved by the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.

***
(5) “Qualified façade improvement project” means the rehabilitation of
the façade of a qualified building that contributes to the integrity of the
designated downtown, designated village center, or neighborhood development
area. Façade improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places
must be consistent with the Secretary of the Interior Standards, as determined
by the Vermont Division for Historic Preservation.

(6) “Qualified Flood Mitigation Project” means any combination of
structural and nonstructural changes to a building located within the flood
hazard area as mapped by the Federal Emergency Management Agency in
a designated downtown, designated village center, or neighborhood development
area that reduces or eliminates flood damage to the building or its contents.
This may include, but is not limited to, relocation of HVAC, electrical,
plumbing, and other building systems, and equipment above the flood level;
repairs or reinforcement of foundation walls, including flood gates; or
elevation of an entire eligible building above the flood level. Further eligible
projects may be defined via program guidance. The project shall comply with
the municipality’s adopted flood hazard bylaw, if applicable, and a certificate
of completion shall be submitted by a registered engineer, architect, qualified
contractor, or qualified local official to the State Board for program staff.
Improvements to qualified buildings listed, or eligible for listing, in the State
or National Register of Historic Places shall be consistent with Secretary of the
Interior’s Standards for Rehabilitation, as determined by the Vermont Division
for Historic Preservation.

**

(9) “State Board” means the Vermont Downtown Development
Community Revitalization Board established pursuant to 24 V.S.A. chapter
76A 139.

Sec. 46. 32 V.S.A. § 5930bb is amended to read:

§ 5930bb. ELIGIBILITY AND ADMINISTRATION

(a) Qualified applicants may apply to the State Board to obtain the tax
credits provided by this subchapter for a qualified project at any time before
the completion of the qualified project.

(b) To qualify for any of the tax credits under this subchapter, expenditures
for the qualified project must exceed $5,000.00.

(c) Application shall be made in accordance with the guidelines set by the
State Board.

(d) Notwithstanding any other provision of this subchapter, qualified
applicants may apply to the State Board at any time prior to June 30, 2013, to
obtain a tax credit not otherwise available under subsections 5930cc(a) (e) of
this title of 10 percent of qualified expenditures resulting from damage caused
by a federally declared disaster in Vermont in 2011. The credit shall only be
claimed against the taxpayer’s State individual income tax under section 5822
of this title. To the extent that any allocated tax credit exceeds the taxpayer’s
tax liability for the first tax year in which the qualified project is completed,
the taxpayer shall receive a refund equal to the unused portion of the tax credit.
If within two years after the date of the credit allocation no claim for a tax
credit or refund has been filed, the tax credit allocation shall be rescinded and
recaptured pursuant to subdivision 5930ee(6) of this title. The total amount of
tax credits available under this subsection shall not be more than $500,000.00
and shall not be subject to the limitations contained in subdivision 5930ee(2)
of this subchapter.

(e) Beginning on July 1, 2025, under this subchapter no new tax credit may
be allocated by the State Board to a qualified building located in a
neighborhood development area Designated Neighborhood unless specific
funds have been appropriated for that purpose.

Sec. 47. 32 V.S.A. § 5930cc is amended to read:
§ 5930cc. DOWNTOWN AND VILLAGE CENTER PROGRAM TAX
CREDITS

* * *

(c) Code improvement tax credit. The qualified applicant of a qualified
code improvement project shall be entitled, upon the approval of the State
Board, to claim against the taxpayer’s State individual income tax, State
corporate income tax, or bank franchise or insurance premiums tax liability a
credit of 50 percent of qualified expenditures up to a maximum tax credit of
$12,000.00 for installation or improvement of a platform lift, a maximum
credit of $60,000.00 for the installation or improvement of a limited use or
limited application elevator, a maximum tax credit of $75,000.00 for
installation or improvement of an elevator, a maximum tax credit of
$50,000.00 for installation or improvement of a sprinkler system, and a
maximum tax credit of $50,000.00 $100,000.00 for the combined costs of all
other qualified code improvements.

(d) Flood Mitigation Tax Credit. The qualified applicant of a qualified
flood mitigation project shall be entitled, upon the approval of the State Board,
to claim against the taxpayer’s State individual income tax, State corporate
income tax, or bank franchise or insurance premiums tax liability a credit of
50 percent of qualified expenditures up to a maximum tax credit of $75,000.00
$100,000.00.

Sec. 48. 32 V.S.A. § 5930ee is amended to read:

§ 5930ee. LIMITATIONS

Beginning in fiscal year 2010 and thereafter, the State Board may award tax
credits to all qualified applicants under this subchapter, provided that:
(1) the total amount of tax credits awarded annually, together with sales
tax reallocated under section 9819 of this title, does not exceed $3,000,000.00:

Sec. 49. REGIONAL PLANNING COMMISSION STUDY
(a) The Vermont Association of Planning and Development Agencies shall
study the strategic opportunities of regional planning commissions. This study
will look to ensure that the regional planning commissions are statutorily
enabled and strategically positioned to meet ongoing and emerging State and
municipal needs and will review the following: governance, funding,
programs, service delivery, equity, accountability, and staffing.

(b) The study shall identify the gaps in statutory enabling language,
structure, and local engagement and make recommendations on how to
improve and ensure consistent and equitable Statewide programming and local
input and engagement.

(c) The Vermont Association of Planning and Development Agencies shall
share information with the study committee [placeholder for the
county/regional governance bill if it passes].

(d) On or before December 31, 2024, the study report shall be submitted to
the House Committees on Energy and Environment, Commerce and Economic
Development, Government Operations and the Senate Committees on

Economic Development, Housing and General Affairs, Natural Resources and Energy, and Government Operations.

Sec. 50. REVISION AUTHORITY

In preparing the Vermont Statutes Annotated for publication in 2024, the Office of Legislative Counsel shall replace all references to the “24 V.S.A. chapter 76A” with the “24 V.S.A. chapter 139.”

* * * Effective Dates * * *

Sec. 51. EFFECTIVE DATES

This act shall take effect on passage, except that Secs. 13 (10 V.S.A. chapter 220), 14 (4 V.S.A. § 34), and 19 (10 V.S.A. § 6001) shall take effect on July 1, 2026.

(Committee vote: ____________)

__________________________
Representative ____________

FOR THE COMMITTEE