

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Environment and Energy to which was referred Senate
3 Bill No. 100 entitled “An act relating to housing opportunities made for
4 everyone” respectfully reports that it has considered the same and recommends
5 that the House propose to the Senate that the report of the committee be
6 amended by striking out Secs. 1–25 and inserting in lieu thereof the following:

7 * * * Municipal Zoning * * *

8 Sec. 1. 24 V.S.A. § 4414 is amended to read:

9 § 4414. ZONING; PERMISSIBLE TYPES OF REGULATIONS

10 * * *

11 (4) Parking and loading facilities. A municipality may adopt provisions
12 setting forth standards for permitted and required facilities for off-street
13 parking and loading, which may vary by district and by uses within each
14 district. For residential uses, a municipality shall not require more than one
15 parking space per one-bedroom dwelling unit. For dwelling units with more
16 than one bedroom, a municipality shall determine parking requirements based
17 on the context and specific needs of the residential use. This determination
18 shall include factors that allow for less parking, including unique residential
19 uses, like senior housing, public transit, on-street parking, public parking, and
20 shared parking. For both residential and nonresidential uses, a municipality
21 may limit the amount of parking, including by setting parking maximums

1 based on demonstrated need, site constraints, or vehicle reduction provisions
2 outlined in the municipal bylaw including transportation demand management
3 and transit-oriented development. These bylaws may also include provisions
4 covering the location, size, design, access, landscaping, and screening of those
5 facilities. In determining the number of parking spaces for nonresidential uses
6 and size of parking spaces required under these regulations, the appropriate
7 municipal panel may take into account the existence or availability of
8 employer “transit pass” and rideshare programs, public transit routes, and
9 public parking spaces in the vicinity of the development. ~~However, a~~
10 ~~municipality shall not require an accessory dwelling unit to have more than~~
11 ~~one parking space per bedroom.~~

12 * * *

13 Sec. 2. 24 V.S.A. § 4412 is amended to read:

14 § 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

15 Notwithstanding any existing bylaw, the following land development
16 provisions shall apply in every municipality:

17 (1) Equal treatment of housing and required provisions for affordable
18 housing.

19 * * *

20 (D) Bylaws shall designate appropriate districts and reasonable
21 regulations for multiunit or multifamily dwellings. No bylaw shall have the

1 effect of excluding these multiunit or multifamily dwellings from the
2 municipality. In any district that allows year-round residential development,
3 duplexes shall be an allowed use with the same dimensional standards as a
4 single-unit dwelling. In any district that is served by municipal sewer and
5 water infrastructure that allows residential development, multiunit dwellings
6 with four or fewer units shall be an allowed use.

7 (E) Except for flood hazard and fluvial erosion area bylaws adopted
8 pursuant to section 4424 of this title, no bylaw shall have the effect of
9 excluding as a permitted use one accessory dwelling unit that is located within
10 or appurtenant to a single-family dwelling on an owner-occupied lot. A bylaw
11 ~~may~~ shall require a single-family dwelling with an accessory dwelling unit to
12 be subject to the same review, dimensional, or other controls as required for a
13 single-family dwelling without an accessory dwelling unit. ~~An accessory~~
14 ~~dwelling unit means a distinct unit that is clearly subordinate to a single-family~~
15 ~~dwelling, and has facilities and provisions for independent living, including~~
16 ~~sleeping, food preparation, and sanitation, provided there is compliance with~~
17 ~~all the following:~~ The criteria for conversion of an existing detached
18 nonresidential building to habitable space for an accessory dwelling unit shall
19 not be more restrictive than the criteria used for a single-family dwelling
20 without an accessory dwelling unit.

21 (i) ~~The property has sufficient wastewater capacity.~~

1 ~~(ii) The unit does not exceed 30 percent of the total habitable floor~~
2 ~~area of the single family dwelling or 900 square feet, whichever is greater.~~

3 * * *

4 (H) No bylaw shall have the effect of prohibiting or penalizing a
5 hotel from renting rooms to provide housing assistance through the State of
6 Vermont’s General Assistance program, or to any person whose room is rented
7 with public funds. The term “hotel” has the same meaning as in 32 V.S.A.
8 9202(3).

9 * * *

10 (12) In any area served by municipal sewer and water infrastructure that
11 allows residential development, bylaws shall establish lot and building
12 dimensional standards that allow five or more dwelling units per acre for each
13 allowed residential use, and density standards for multiunit dwellings shall not
14 be more restrictive than those required for single-family dwellings.

15 (13) In any area served by municipal sewer and water infrastructure that
16 allows residential development, any affordable housing development, as
17 defined in subdivision 4303(2) of this title, including mixed-use development,
18 may exceed density limitations for residential developments by an additional
19 40 percent, provided that the structure complies with the Vermont Fire and
20 Building Safety Code.

1 (14)(A) As used in this section, an area “served by municipal sewer and
2 water infrastructure” means:

3 (i) that residential connections and expansions are available to
4 municipal water and direct and indirect discharge wastewater systems and not
5 prohibited by:

6 (I) State regulations or permits;

7 (II) identified capacity constraints; or

8 (III) municipally adopted service and capacity agreements; or

9 (ii) areas established by the municipality by ordinance or bylaw
10 that:

11 (I) exclude flood hazard or inundation areas as established by
12 statute, river corridors or fluvial erosion areas as established by statute,
13 shorelands, areas within a zoning district or overlay district the purpose of
14 which is natural resource protection, and wherever year-round residential
15 development is not allowed;

16 (II) reflect identified service limits established by State
17 regulations or permits, identified capacity constraints, or municipally adopted
18 service and capacity agreements;

19 (III) exclude areas served by sewer and water to address an
20 identified community-scale public health hazard or environmental hazard;

1 (IV) exclude areas serving a mobile home park that is not
2 within an area planned for year-round residential growth;

3 (V) exclude areas serving an industrial site or park;

4 (VI) exclude areas where service lines are located to serve the
5 areas described in subdivisions (III)–(V) of this subdivision (ii), but no
6 connections or expansions are permitted;

7 (VII) exclude areas that, through an approved Planned Unit
8 Development under section 4417 of this title or Transfer of Development
9 Rights under section 4423 of this title, prohibit year-round residential
10 development; or

11 (VIII) modify the zoning provisions allowed under this chapter
12 in areas served by indirect discharge designed for less than 100,000 gallons per
13 day.

14 (B) Municipally adopted areas served by municipal sewer and water
15 infrastructure that limit sewer and water connections and expansions shall not
16 result in the unequal treatment of housing by discriminating against a year-
17 round residential use or housing type otherwise allowed in this chapter.

18 Sec. 3. 24 V.S.A. § 4413 is amended to read:

19 § 4413. LIMITATIONS ON MUNICIPAL BYLAWS

20 (a)(1) The following uses may be regulated only with respect to location,
21 size, height, building bulk, yards, courts, setbacks, density of buildings, off-

1 street parking, loading facilities, traffic, noise, lighting, landscaping, and
2 screening requirements, and only to the extent that regulations do not have the
3 effect of interfering with the intended functional use:

4 (A) State- or community-owned and ~~operated~~ operated institutions
5 and facilities;

6 (B) public and private schools and other educational institutions
7 certified by the Agency of Education;

8 (C) churches and other places of worship, convents, and parish
9 houses;

10 (D) public and private hospitals;

11 (E) regional solid waste management facilities certified under 10
12 V.S.A. chapter 159;

13 (F) hazardous waste management facilities for which a notice of
14 intent to construct has been received under 10 V.S.A. § 6606a; and

15 (G) emergency shelters.

16 (2) Except for State-owned and -operated institutions and facilities, a
17 municipality may regulate each of the land uses listed in subdivision (1) of this
18 subsection for compliance with the National Flood Insurance Program and for
19 compliance with a municipal ordinance or bylaw regulating development in a
20 flood hazard area or river corridor, consistent with the requirements of

1 subdivision 2291(25) and section 4424 of this title. These regulations shall not
2 have the effect of interfering with the intended functional use.

3 (3) For purposes of this subsection, regulating the daily or seasonal
4 hours of operation of an emergency shelter shall constitute interfering with the
5 intended functional use.

6 * * *

7 Sec. 4. 24 V.S.A. § 4303 is amended to read:

8 § 4303. DEFINITIONS

9 The following definitions shall apply throughout this chapter unless the
10 context otherwise requires:

11 * * *

12 (38) “Accessory dwelling unit” means a distinct unit that is clearly
13 subordinate to a single-family dwelling and has facilities and provisions for
14 independent living, including sleeping, food preparation, and sanitation,
15 provided there is compliance with all the following:

16 (A) the property has sufficient wastewater capacity; and

17 (B) the unit does not exceed 30 percent of the total habitable floor
18 area of the single-family dwelling or 900 square feet, whichever is greater.

19 (39) “Duplex” means a residential building that has two dwelling units
20 in the same building and neither unit is an accessory dwelling unit.

1 (40) “Emergency shelter” means any facility, the primary purpose of
2 which is to provide a temporary shelter for the homeless in general or for
3 specific populations of the homeless and that does not require occupants to
4 sign leases or occupancy agreements.

5 (41) “Multiunit or multifamily dwelling” means a building that contains
6 three or more dwelling units in the same building.

7 Sec. 5. 24 V.S.A. § 4441 is amended to read:

8 § 4441. PREPARATION OF BYLAWS AND REGULATORY TOOLS;

9 AMENDMENT OR REPEAL

10 * * *

11 (c) When considering an amendment to a bylaw, the planning commission
12 shall prepare and approve a written report on the proposal. A single report
13 may be prepared so as to satisfy the requirements of this subsection concerning
14 bylaw amendments and subsection 4384(c) of this title concerning plan
15 amendments. ~~The Department of Housing and Community Development shall~~
16 ~~provide all municipalities with a form for this report.~~ The report shall provide
17 a brief explanation of the proposed bylaw, amendment, or repeal and shall
18 include a statement of purpose as required for notice under section 4444 of this
19 title; and shall include findings regarding how the proposal:

1 (1) ~~Conforms~~ conforms with or furthers the goals and policies contained
2 in the municipal plan, including the effect of the proposal on the availability of
3 safe and affordable housing-, and sections 4412, 4413, and 4414 of this title;

4 (2) ~~Is~~ is compatible with the proposed future land uses and densities of
5 the municipal plan-; and

6 (3) ~~Carries~~ carries out, as applicable, any specific proposals for any
7 planned community facilities.

8 * * *

9 (h) Upon adoption or amendment of a bylaw, the planning commission
10 shall prepare an adoption report in form and content provided by the
11 Department of Housing and Community Development that:

12 (1) confirms that zoning districts' GIS data has been submitted to the
13 Department and that the data complies with the Vermont Zoning GIS Data
14 Standard adopted pursuant to 10 V.S.A. § 123;

15 (2) confirms that the complete bylaw has been uploaded to the
16 Municipal Plan and Bylaw Database;

17 (3) demonstrates conformity with sections 4412, 4413, and 4414 of this
18 title; and

19 (4) provides information on the municipal application of subchapters 7
20 (bylaws), 9 (administration), and 10 (panels) of this chapter for the Municipal

1 Planning Data Center and the prospective development of a statewide zoning
2 atlas.

3 Sec. 6. 24 V.S.A. § 4465 is amended to read:

4 § 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

5 (a) An interested person may appeal any decision or act taken by the
6 administrative officer in any municipality by filing a notice of appeal with the
7 secretary of the board of adjustment or development review board of that
8 municipality or with the clerk of that municipality if no such secretary has been
9 elected. This notice of appeal must be filed within 15 days ~~of~~ following the
10 date of that decision or act, and a copy of the notice of appeal shall be filed
11 with the administrative officer.

12 (b) ~~For the purposes of~~ As used in this chapter, an “interested person”
13 means any one of the following:

14 (1) A person owning title to property, or a municipality or solid waste
15 management district empowered to condemn it or an interest in it, affected by a
16 bylaw, who alleges that the bylaw imposes on the property unreasonable or
17 inappropriate restrictions of present or potential use under the particular
18 circumstances of the case.

19 (2) The municipality that has a plan or a bylaw at issue in an appeal
20 brought under this chapter or any municipality that adjoins that municipality.

1 (3) A person owning or occupying property in the immediate
2 neighborhood of a property that is the subject of any decision or act taken
3 under this chapter, who can demonstrate a physical or environmental impact on
4 the person’s interest under the criteria reviewed, and who alleges that the
5 decision or act, if confirmed, will not be in accord with the policies, purposes,
6 or terms of the plan or bylaw of that municipality.

7 (4) ~~Any ten persons who may be any combination of voters or real~~
8 ~~property owners within a municipality listed in subdivision (2) of this~~
9 ~~subsection who, by signed petition to the appropriate municipal panel of a~~
10 ~~municipality, the plan or a bylaw of which is at issue in any appeal brought~~
11 ~~under this title, allege that any relief requested by a person under this title, if~~
12 ~~granted, will not be in accord with the policies, purposes, or terms of the plan~~
13 ~~or bylaw of that municipality~~ person aggrieved as defined in 10 V.S.A.
14 § 8502(7). This petition to the appropriate municipal panel must designate one
15 person to serve as the representative of the petitioners regarding all matters
16 related to the appeal. For purposes of this subdivision, a particularized interest
17 shall not include the character of the area affected if the project has a
18 residential component that includes affordable housing.

19 (5) Any department and administrative subdivision of this State owning
20 property or any interest in property within a municipality listed in subdivision

1 (2) of this subsection, and the Agency of Commerce and Community
2 Development of this State.

3 * * *

4 Sec. 6a. 10 V.S.A. § 8502(7) is amended to read:

5 (7) “Person aggrieved” means a person who alleges an injury to a
6 particularized interest protected by the provisions of law listed in section 8503
7 of this title, or in 24 V.S.A. chapter 117, attributable to an act or decision by a
8 district coordinator, District Commission, the Secretary, or in the case of an act
9 or decision related to 24 V.S.A. chapter 117, an appropriate municipal panel,
10 administrative officer, or municipal official, or the Environmental Division that
11 can be redressed by the Environmental Division or the Supreme Court.

12 * * * Subdivisions * * *

13 Sec. 7. 24 V.S.A. § 4463 is amended to read:

14 § 4463. SUBDIVISION REVIEW

15 (a) Approval of plats. Before ~~any~~ a plat for a subdivision is approved, a
16 public hearing on the plat ~~shall~~ may be held by the appropriate municipal panel
17 after public notice. A bylaw may provide for when a public hearing is
18 required. A copy of the notice shall be sent to the clerk of an adjacent
19 municipality, in the case of a plat located within 500 feet of a municipal
20 boundary, at least 15 days prior to the public hearing.

1 (b) Plat; record. The approval of the appropriate municipal panel or
2 administrative officer, if the bylaws provide for their approval of subdivisions,
3 shall expire 180 days from that approval or certification unless, within that
4 180-day period, that plat shall have been duly filed or recorded in the office of
5 the clerk of the municipality. After an approved plat or certification by the
6 clerk is filed, no expiration of that approval or certification shall be applicable.

7 (1) The bylaw may allow the administrative officer to extend the date
8 for filing the plat by an additional 90 days; if final local or State permits or
9 approvals are still pending.

10 (2) No plat showing a new street or highway may be filed or recorded in
11 the office of the clerk of the municipality until it has been approved by the
12 appropriate municipal panel, or administrative officer if allowed under the
13 bylaws, pursuant to subsection (a) of this section, and that approval is endorsed
14 in writing on the plat, or the certificate of the clerk of the municipality showing
15 the failure of the appropriate municipal panel to take action within the 45-day
16 period is attached to the plat and filed or recorded with the plat. After that
17 filing or recording, the plat shall be a part of the official map of the
18 municipality.

19 * * *

20 Sec. 8. 24 V.S.A. § 4418 is amended to read:

21 § 4418. SUBDIVISION BYLAWS

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(2) Subdivision bylaws may include:

(A) ~~Provisions~~ provisions allowing the appropriate municipal panel to waive or modify, subject to appropriate conditions, the provision of any or all improvements and requirements as in its judgment of the special circumstances of a particular plat or plats are not requisite in the interest of the public health, safety, and general welfare, or are inappropriate because of inadequacy or lack of connecting facilities adjacent or in proximity to the subdivision;

(B) ~~Procedures~~ procedures for conceptual, preliminary, partial, and other reviews preceding submission of a subdivision plat, including any administrative reviews;

(C) ~~Specific~~ specific development standards to promote the conservation of energy or to permit the utilization of renewable energy resources, or both;

(D) State standards and criteria under 10 V.S.A. § 6086(a); and

(E) provisions to allow the administrative officer to approve subdivisions.

* * * Appeals * * *

Sec. 9. 24 V.S.A. § 4471 is amended to read:

§ 4471. APPEAL TO ENVIRONMENTAL DIVISION

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(e) ~~Neighborhood development area~~ Designated areas. Notwithstanding subsection (a) of this section, a determination by an appropriate municipal panel that a residential development will not result in an undue adverse effect on the character of the area affected shall not be subject to appeal if the ~~determination is that a~~ proposed residential development seeking conditional use approval under subdivision 4414(3) of this title is within a designated downtown development district, designated growth center, ~~designated Vermont neighborhood~~, or designated neighborhood development area ~~seeking conditional use approval will not result in an undue adverse effect on the character of the area affected under subdivision 4414(3) of this title~~. Other elements of the determination made by the appropriate municipal panel may be appealed.

* * * By Right * * *

Sec. 10. 24 V.S.A. § 4464(b) is amended to read:

(b) Decisions.

* * *

(7)(A) A decision rendered by the appropriate municipal panel for a housing development or the housing portion of a mixed-use development shall not:

1 (i) require a larger lot size than the minimum as determined in the
2 municipal bylaws;

3 (ii) require more parking spaces than the minimum as determined
4 in the municipal bylaws and in section 4414 of this title;

5 (iii) limit the building size to less than that allowed in the
6 municipal bylaws, including reducing the building footprint or height;

7 (iv) limit the density of dwelling units to below that allowed in the
8 municipal bylaws; and

9 (v) otherwise disallow a development to abide by the minimum or
10 maximum applicable municipal standards.

11 (B) However, a decision may require adjustments to the applicable
12 municipal standards listed in subdivision (A) of this subdivision (7) if the panel
13 or officer issues a written finding stating:

14 (i) why the modification is necessary to comply with a
15 prerequisite State or federal permit, municipal permit, or a nondiscretionary
16 standard in a bylaw or ordinance, including requirements related to wetlands,
17 setbacks, and flood hazard areas and river corridors; and

18 (ii) how the identified restrictions do not result in an unequal
19 treatment of housing or an unreasonable exclusion of housing development
20 otherwise allowed by the bylaws.

1 Sec. 11. 24 V.S.A. § 4348a is amended to read:

2 § 4348a. ELEMENTS OF A REGIONAL PLAN

3 (a) A regional plan shall be consistent with the goals established in section
4 4302 of this title and shall include the following:

5 * * *

6 (9) A housing element that identifies the regional and community-level
7 need for housing for all economic groups in the region and communities. In
8 establishing the identified need, due consideration shall be given to that will
9 result in an adequate supply of building code and energy code compliant
10 homes where most households spend not more than 30 percent of their income
11 on housing and not more than 15 percent on transportation. To establish
12 housing needs, the Department of Housing and Community Development shall
13 publish statewide and regional housing targets or ranges as part of the
14 Statewide Housing Needs Assessment. The regional planning commission
15 shall consult the Statewide Housing Needs Assessment; current and expected
16 demographic data; the current location, quality, types, and cost of housing;
17 other local studies related to housing needs; and data gathered pursuant to
18 subsection 4382(c) of this title. If no such data has been gathered, the regional
19 planning commission shall gather it. The regional planning commission's
20 assessment shall estimate the total needed housing investments in terms of
21 price, quality, unit size or type, and zoning district as applicable and shall

1 disaggregate regional housing targets or ranges by municipality. The housing
2 element shall include a set of recommended actions to satisfy the established
3 needs.

4 * * *

5 Sec. 12. 24 V.S.A. § 4382 is amended to read:

6 § 4382. THE PLAN FOR A MUNICIPALITY

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

11 * * *

12 (10) A housing element that shall include a recommended program for
13 ~~addressing low and moderate income persons'~~ public and private actions to
14 address housing needs as identified by the regional planning commission
15 pursuant to subdivision 4348a(a)(9) of this title. The program should use data
16 on year-round and seasonal dwellings and include specific actions to address
17 the housing needs of persons with low income and persons with moderate
18 income and account for permitted accessory dwelling units, as defined in
19 subdivision 4412(1)(E) of this title, ~~which provide affordable housing as well~~
20 as any material impact of short-term rental units.

21 * * *

1 **Sec. 13. [Energy Codes-Deleted.]**

2 Sec. 13. **24 V.S.A. § 4385 is amended to read:**

3 § 4385. ADOPTION AND AMENDMENT OF PLANS; HEARING BY
4 LEGISLATIVE BODY

5 * * *

6 (c) A plan of a municipality or an amendment thereof shall be adopted by a
7 majority of the members of its legislative body at a meeting ~~which~~ that is held
8 after the final public hearing. ~~If, however, at a regular or special meeting of~~
9 ~~the voters duly warned and held as provided in 17 V.S.A. chapter 55, a~~
10 ~~municipality elects to adopt or amend municipal plans by Australian ballot,~~
11 ~~that procedure shall then apply unless rescinded by the voters at a regular or~~
12 ~~special meeting similarly warned and held. If the proposed plan or amendment~~
13 ~~is not adopted so as to take effect within one year after the date of the final~~
14 ~~hearing of the planning commission, it shall be considered rejected by the~~
15 ~~municipality.~~ Plans and amendments shall be effective upon adoption. Copies
16 of newly adopted plans and amendments shall be provided to the regional
17 planning commission and to the Commissioner of Housing and Community
18 Development within 30 days after adoption, which may be done electronically,
19 provided the sender has proof of receipt. If a municipality wishes its plan or
20 plan amendment to be eligible for approval under the provisions of section
21 4350 of this title, it shall request approval. The request for approval may be

1 before or after adoption of the plan by the municipality, at the option of the
2 municipality.

3 * * *

4 Sec. 14. 24 V.S.A. § 4442 is amended to read:

5 § 4442. ADOPTION OF BYLAWS AND RELATED REGULATORY
6 TOOLS; AMENDMENT OR REPEAL

7 * * *

8 (c) Routine adoption.

9 (1) A bylaw, bylaw amendment, or bylaw repeal shall be adopted by a
10 majority of the members of the legislative body at a meeting that is held after
11 the final public hearing, and shall be effective 21 days after adoption unless, by
12 action of the legislative body, the bylaw, bylaw amendment, or bylaw repeal is
13 warned for adoption by the municipality by Australian ballot at a special or
14 regular meeting of the municipality.

15 (2) ~~However, a rural town as defined in section 4303 of this chapter, by~~
16 ~~vote of that town at a special or regular meeting duly warned on the issue, may~~
17 ~~elect to require that bylaws, bylaw amendments, or bylaw repeals shall be~~
18 ~~adopted by vote of the town by Australian ballot at a special or regular meeting~~
19 ~~duly warned on the issue. That procedure shall then apply until rescinded by~~
20 ~~the voters at a regular or special meeting of the town.~~

1 ~~(d) Petition for popular vote. Notwithstanding subdivision (c)(1) of this~~
2 ~~section, a vote by the legislative body on a bylaw, amendment, or repeal shall~~
3 ~~not take effect if five percent of the voters of the municipality petition for a~~
4 ~~meeting of the municipality to consider the bylaw, amendment, or repeal, and~~
5 ~~the petition is filed within 20 days of the vote. In that case, a meeting of the~~
6 ~~municipality shall be duly warned for the purpose of acting by Australian~~
7 ~~ballot upon the bylaw, amendment, or repeal. [Repealed.]~~

* * *

* * * Regional Planning * * *

10 **Sec. 15. REGIONAL PLANNING REPORT**

11 (a) On or before December 15, 2023, the Vermont Association of Planning
12 and Development Agencies shall report on statutory recommendations to better
13 integrate and implement municipal, regional, and State plans, policies, and
14 investments by focusing on regional future land use maps and policies.

15 (b) The recommendations shall address how to accomplish the following:

16 (1) Aligning policies and implementation between municipalities,
17 regional planning commissions, and State entities to better address climate
18 change, climate resiliency, natural resources, housing, transportation,
19 economic development, and other place-based issues.

20 (2) Building upon municipal and regional enhanced energy plans and
21 their implementation.

1 (3) Evaluating place-based policy and project decisions by the State,
2 regional planning commissions, and municipalities related to implementing
3 regional future land use maps and policies and recommending changes to
4 which of those governmental levels those decisions should occur, if necessary.

5 (4) Ensuring that State agency investment and policy decisions that
6 relate to land development are consistent with regional and local plans. The
7 investments assessed should include, at a minimum:

8 (A) drinking water;

9 (B) wastewater;

10 (C) stormwater;

11 (D) transportation;

12 (E) community and economic development;

13 (F) housing;

14 (G) energy; and

15 (H) telecommunications.

16 (5) Achieving statewide consistency of future land use maps and
17 policies to better support Act 250 and 30 V.S.A. § 248.

18 (6) How Act 250 and 30 V.S.A. § 248 could better support
19 implementation of regional future land use maps and policies.

20 (7) Better support implementation of regional future land use maps and
21 policies in the State designation program under 24 V.S.A. chapter 76A.

1 (8) Improving the quality and effectiveness of future land use maps in
2 regional and municipal plans through changes to 24 V.S.A. chapter 117
3 including:

4 (A) future land use map area delineations, definitions, statements,
5 and policies;

6 (B) existing settlement definitions and their relationship to future
7 land use maps;

8 (C) the role of regional plans in the review and approval of municipal
9 plans and planning processes; and

10 (D) a review mechanism to ensure bylaws are consistent with
11 municipal plans.

12 (c) The report should also discuss how best to implement the
13 recommendations, including the following:

14 (1) how best to phase in the recommendations;

15 (2) how to establish a mechanism for the independent review of regional
16 plans to ensure consistency with statutory requirements;

17 (3) what guidance and training will be needed to implement the
18 recommendations; and

19 (4) what incentives and accountability mechanisms are necessary to
20 accomplish these changes at all levels of government.

1 (d) The Vermont Association of Planning and Development Agencies shall
2 consult with the Agency of Transportation, the Agency of Natural Resources,
3 the Agency of Commerce and Community Development, the Department of
4 Public Service, Vermont Emergency Management, the Natural Resources
5 Board, the regional development corporations, the Vermont League of Cities
6 and Towns, statewide environmental organizations, and other interested parties
7 in developing the report and shall summarize comments.

8 (e) On or before December 15, 2023, the Vermont Association of Planning
9 and Development Agencies shall submit the report to the following
10 committees: the Senate Committees on Economic Development, Housing and
11 General Affairs, on Government Operations, on Natural Resources and
12 Energy, and on Transportation and the House Committees on Commerce and
13 Economic Development, on Environment and Energy, on General and
14 Housing, on Government Operations and Military Affairs, and on
15 Transportation.

16 (f) The Vermont Association of Planning and Development Agencies shall
17 be funded in fiscal year 2023 and fiscal year 2024 for this study through the
18 regional planning grant established in 24 V.S.A. § 4306.

19 Sec. 15a. HOUSING RESOURCE NAVIGATOR FOR REGIONAL

20 PLANNING COMMISSIONS

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(xi) Notwithstanding any other provision of law to the contrary,
until July 1, 2026, the construction of housing projects such as cooperatives,
condominiums, dwellings, or mobile homes, with 25 or more units, constructed
or maintained on a tract or tracts of land, located entirely within a designated
downtown development district, a designated neighborhood development area,
designated village center with permanent zoning and subdivision bylaws, or a
designated growth center, owned or controlled by a person, within a radius of
five miles of any point on any involved land and within any continuous period
of five years.

* * *

(D) The word “development” does not include:

* * *

(viii)(I) The construction of a priority housing project in a
municipality with a population of 10,000 or more.

(II) If the construction of a priority housing project in this
subdivision (3)(D)(viii) involves demolition of one or more buildings that are
listed or eligible to be listed on the State or National Register of Historic
Places, this exemption shall not apply unless the Division for Historic
Preservation has made the determination described in subdivision (A)(iv)(I)(ff)

1 of this subdivision (3) and any imposed conditions are enforceable in the
2 manner set forth in that subdivision.

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

7 * * *

8 Sec. 16a. ACT 250 EXEMPTION REQUIREMENTS

9 In order to qualify for the exemptions established in 10 V.S.A. § 6001
10 (3)(A)(xi) and (3)(D)(viii)(III) and 10 V.S.A. § 6081(y), a person shall request
11 a jurisdictional opinion under 10 V.S.A. § 6007 on or before June 30, 2026.
12 The jurisdictional opinion shall require the project to substantially complete
13 construction on or before June 30, 2029 in order to remain exempt.

14 Sec. 17. 10 V.S.A. § 6086b is amended to read:

15 § 6086b. DOWNTOWN DEVELOPMENT; FINDINGS; MASTER PLAN

16 PERMITS

17 (a) Findings and conclusions. Notwithstanding any provision of this
18 chapter to the contrary, each of the following shall apply to a development or
19 subdivision that is completely within a downtown development district
20 designated under 24 V.S.A. chapter 76A and for which a permit or permit
21 amendment would otherwise be required under this chapter:

1 (3) In neighborhood development areas, subsequent master plan permit
2 amendments shall only be issued for development that is housing.

3 (4) In approving a master plan permit and amendments, the District
4 Commission may include specific conditions that an applicant for an individual
5 project permit shall be required to meet.

6 (5) For a master plan permit issued pursuant to this section, an
7 application for an amendment may use the findings issued in the master plan
8 permit as a rebuttable presumption to comply within any applicable criteria
9 under subsection 6086(a) of this title.

10 Sec. 18. 10 V.S.A. § 6083a is amended to read:

11 § 6083a. ACT 250 FEES

12 (a) All applicants for a land use permit under section 6086 of this title shall
13 be directly responsible for the costs involved in the publication of notice in a
14 newspaper of general circulation in the area of the proposed development or
15 subdivision and the costs incurred in recording any permit or permit
16 amendment in the land records. In addition, applicants shall be subject to each
17 of the following fees for the purpose of compensating the State of Vermont for
18 the direct and indirect costs incurred with respect to the administration of the
19 Act 250 program:

20 (1) For applications for projects involving construction, \$6.65 for each
21 \$1,000.00 of the first \$15,000,000.00 of construction costs, and \$3.12 for each

1 \$1,000.00 of construction costs above \$15,000,000.00. An additional \$0.75
2 for each \$1,000.00 of the first \$15,000,000.00 of construction costs shall be
3 paid to the Agency of **National Natural** Resources to account for the Agency of
4 Natural Resources' review of Act 250 applications.

5 (2) For **applications for** projects involving the creation of lots, \$125.00
6 for each lot.

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

11 (4) For **applications for** projects involving the extraction of earth
12 resources, including sand, gravel, peat, topsoil, crushed stone, or quarried
13 material, the greater of: a fee as determined under subdivision (1) of this
14 subsection; or a fee equivalent to the rate of \$0.02 per cubic yard of the first
15 million cubic yards of the total volume of earth resources to be extracted over
16 the life of the permit, and \$.01 per cubic yard of any such earth resource
17 extraction above one million cubic yards. Extracted material that is not sold or
18 does not otherwise enter the commercial marketplace shall not be subject to the
19 fee. The fee assessed under this subdivision for an amendment to a permit
20 shall be based solely upon any additional volume of earth resources to be
21 extracted under the amendment.

1 (5) For applications for projects involving the review of a master plan, a
2 fee equivalent to \$0.10 per \$1,000.00 of total estimated construction costs in
3 current dollars in addition to the fee established in subdivision (1) of this
4 subsection for any portion of the project seeking construction approval.

5 ~~(6) In no event shall a permit application fee exceed \$165,000.00.~~

6 (b) Notwithstanding the provisions of subsection (a) of this section, there
7 shall be a minimum fee of \$187.50 for original applications and \$62.50 for
8 amendment applications, in addition to publication and recording costs. These
9 costs shall be in addition to any other fee established by statute, unless
10 otherwise expressly stated. In addition, in no event shall the fee for an
11 individual permit or permit amendment application, including each individual
12 permit or permit amendment application seeking approval for any portion of a
13 project involving a master plan, exceed \$165,000.00.

14 * * *

15 * * * Enhanced Village Centers * * *

16 Sec. 17, 17a, 17b Deleted.

17 * * *

18 Sec. 19. 2022 Acts and Resolves No. 182, Sec. 41 is amended to read:

19 Sec. 41. REPORT; NATURAL RESOURCES BOARD

20 (a) On or before December 31, 2023, the Chair of the Natural Resources
21 Board shall report to the House Committees on ~~Natural Resources, Fish, and~~

1 ~~Wildlife~~ **Environment and Energy** and on Ways and Means and the Senate
2 Committees on Finance and on Natural Resources and Energy on necessary
3 updates to the Act 250 program.

4 (b) The report shall include:

5 (1) How to transition to a system in which Act 250 jurisdiction is based
6 on location, which shall encourage development in designated areas; the
7 maintenance of intact rural working lands; and the protection of natural
8 resources of statewide significance, including biodiversity. Location-based
9 jurisdiction would adjust the threshold for Act 250 jurisdiction based on the
10 characteristics of the location. This section of the report shall consider whether
11 to develop thresholds and tiers of jurisdiction as recommended in the
12 Commission on Act 250: the Next 50 Years Report.

13 (2) How to use the Capability and Development Plan to meet the
14 statewide planning goals.

15 (3) An assessment of the current level of staffing of the Board and
16 District Commissions, including whether there should be a district coordinator
17 located in every district.

18 (4) Whether the permit fees are sufficient to cover the costs of the
19 program and, if not, a recommendation for a source of revenue to supplement
20 the fees.

1 (5) Whether the permit fees are effective in providing appropriate
2 incentives.

3 (6) Whether the Board should be able to assess its costs on applicants.

4 (7) Whether increasing jurisdictional thresholds for housing
5 development to 25 units under 10 V.S.A. § 6001(3)(A)(iv) would affect
6 housing affordability, especially for primary homeownership, and what the
7 potential impact of increasing those thresholds to 25 units would have on
8 natural and community resources addressed under existing Act 250 criteria.

9 * * * Enhanced Designation * * *

10 Sec. 18. -21 Deleted.

11 * * * Covenants * * *

12 Sec. 20. 27 V.S.A. § 545 is amended to read:

13 § 545. COVENANTS, CONDITIONS, AND RESTRICTIONS OF
14 SUBSTANTIAL PUBLIC INTEREST

15 (a) Deed restrictions, covenants, or similar binding agreements added after
16 March 1, 2021 that prohibit or have the effect of prohibiting land development
17 allowed under 24 V.S.A. § 4412(1)(E) and (2)(A) shall not be valid.

18 (b) Deed restrictions or covenants added after July 1, 2023 shall not be
19 valid if they require a minimum dwelling unit size on the property or more
20 than one parking space per dwelling unit.

1 (1) Vermont established the Residential Building Energy Standards
2 (RBES) in 1997 and the Commercial Building Energy Standards (CBES) in
3 2007. The Public Service Department is responsible for adopting and updating
4 these codes regularly but does not have the capacity to administer or enforce
5 them.

6 (2) The RBES and CBES are mandatory, but while municipalities with
7 building departments handle some aspects of review and inspection, there is no
8 State agency or office designated to interpret, administer, and enforce them.

9 (3) The Division of Fire Safety in the Department of Public Safety is
10 responsible for development, administration, and enforcement of building
11 codes but does not currently have expertise or capacity to add administration or
12 enforcement of energy codes in buildings.

13 (4) Studies in recent years show compliance with the RBES at about 54
14 percent and CBES at about 87 percent, with both rates declining. Both codes
15 are scheduled to become more stringent with the goal of “net-zero ready” by
16 2030.

17 (5) In December 2022, the U.S. Department of Energy issued the
18 Bipartisan Infrastructure Law: Resilient and Efficient Codes Implementation
19 Funding Opportunity Announcement. The first \$45 million of a five-year \$225
20 million program is available in 2023. Vermont’s increased code compliance
21 plans should include contingencies for this potential funding.

1 Sec. 23. ENERGY CODE COMPLIANCE; STUDY COMMITTEE

2 (a) Creation. There is created the Building Energy Code Study Committee
3 to recommend strategies for increasing compliance with the Residential
4 Building Energy Standards (RBES) and Commercial Building Energy
5 Standards (CBES).

6 (b) Membership. The Committee shall have 15 members with applicable
7 expertise, to include program design and implementation, building code
8 administration and enforcement, and Vermont’s construction industry. The
9 Speaker of the House shall appoint three members, including up to one
10 legislator. The Committee on Committees shall appoint two members,
11 including up to one legislator. The remaining members shall be the following:

12 (1) the Commissioner of Public Service or designee;

13 (2) the Director of Fire Safety or designee;

14 (3) a representative of Efficiency Vermont;

15 (4) a representative of American Institute of Architects–Vermont;

16 (5) a representative of the Vermont Builders and Remodelers

17 Association;

18 (6) a representative the Burlington Electric Department;

19 (7) a representative of Vermont Gas Systems;

20 (8) a representative of the Association of General Contractors of

21 Vermont;

1 (9) a representative of the Vermont League of Cities and Towns; and

2 (10) a representative from a regional planning commission.

3 (c) Powers and duties. The Committee shall consider and recommend
4 strategies to increase awareness of and compliance with the RBES and CBES,
5 including the potential designation of the Division of Fire Safety (DFS) in the
6 Department of Public Safety as the statewide authority having jurisdiction for
7 administration, interpretation, and enforcement, in conjunction with DFS'
8 existing jurisdiction, over building codes. The Committee shall also evaluate
9 current cost-effectiveness analyses, whether they include or should include
10 nonenergy benefits, and how that impacts the affordability of housing projects
11 and provide a summary set of recommendations.

12 (d) Assistance. The Committee shall have the administrative, technical,
13 and legal assistance of the Department of Public Service. The Department
14 shall hire a third-party consultant to assist and staff the Committee, which may
15 be funded by monies appropriated by the General Assembly or any grant
16 funding received.

17 (e) Report. On or before December 1, 2023, the Committee shall submit a
18 written report to the General Assembly with its findings and recommendations
19 for legislative action.

20 (f) Meetings.

1 (1) The Department of Public Service shall call the first meeting of the
2 Committee to occur on or before July 15, 2023.

3 (2) The Committee shall elect a chair from among its members at the
4 first meeting.

5 (3) A majority of the membership shall constitute a quorum.

6 (4) The final meeting shall be held on or before October 31, 2023. The
7 Committee shall cease to exist on December 1, 2023.

8 (g) Compensation and reimbursement.

9 (1) For attendance at meetings during adjournment of the General
10 Assembly, a legislative member of the Committee serving in the legislator's
11 capacity as a legislator shall be entitled to per diem compensation and
12 reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six
13 meetings.

14 (2) Other members of the Committee who are not otherwise
15 compensated by their employer shall be entitled to per diem compensation and
16 reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more
17 than six meetings.

18 (3) The payments under this subsection (g) shall be made from monies
19 appropriated by the General Assembly or any grant funding received.

1 Sec. 24. RURAL RECOVERY COORDINATION COUNCIL

2 (a) Goals. The Rural Recovery Coordination Council is created to study
3 and make recommendations on how to strengthen coordination between
4 agencies and stakeholders involved in rural community development.

5 (b) Purposes. The Council shall consider and identify strategies to:

6 (1) prioritize areas of investment into Vermont’s rural communities in
7 order to ensure necessary resources to meet Vermont’s climate goals, rural
8 community development objectives, and environmental sustainability
9 requirements;

10 (2) build long-term emergency and disaster preparedness and recovery;

11 (3) ensure intergovernmental and regional communications and
12 coordination; and

13 (4) improve access to technical assistance and support from regional and
14 statewide agencies and programs.

15 (c) Powers and duties. The Council shall identify structural changes and
16 improve coordination across all levels of government to support rural
17 community development, including addressing the following issues:

18 (1) a permanent structure for ensuring rural community development
19 programming within State government;

20 (2) how to better include rural voices in regional collaboration and
21 prioritization projects;

1 (3) how municipal, regional, and State plans, policies, and investments
2 can be integrated and mutually supportive;

3 (4) where to establish an office of Rural Community Development and
4 how long the office should be authorized for; and

5 (5) how to support capacity at the municipal level and how to support
6 multitown coordination and collaboration.

7 (d) Report. On or before December 15, 2023, the Council shall report to
8 the General Assembly and to the Agency of Administration with its findings,
9 recommendations, and draft legislation.

10 (e) Members. The Council shall comprise the following members:

11 (1) the Vermont Chief Performance Officer or designee;

12 (2) the Secretary of Commerce and Community Development or
13 designee;

14 (3) the Commissioner of Public Service or designee;

15 (4) the Secretary of Transportation or designee;

16 (5) the Director of Racial Equity or designee;

17 (6) one or more representatives from the regional planning commissions
18 appointed by the Vermont Association of Planning and Development
19 Agencies;

1 (7) one or more representatives from the regional development
2 corporations appointed by the Regional Development Corporations of
3 Vermont;

4 (8) the Executive Director of the Vermont League of Cities and Towns
5 or designee;

6 (9) a member, appointed by the Vermont Communications Union
7 Districts Association;

8 (10) the Secretary of Natural Resources or designee;

9 (11) a member, appointed by the University of Vermont Office of
10 Engagement;

11 (12) a member, appointed by the Vermont Housing and Conservation
12 Board;

13 (13) a member of the House of Representatives, appointed by the
14 Speaker of the House; and

15 (14) a member of the Senate, appointed by the Committee on
16 Committees.

17 (f) Compensation and reimbursement.

18 (1) For attendance at meetings during adjournment of the General
19 Assembly, a legislative member of the Council shall be entitled to per diem
20 compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23.

1 (2) Other members of the Council shall be entitled to per diem
2 compensation and reimbursement of expenses as permitted under 32 V.S.A.
3 § 1010.

4 (g) Meetings; administration.

5 (1) The Council shall meet at least five times and take testimony from a
6 variety of stakeholders, including from representatives from municipalities of
7 variety of sizes and from those with experience in state land use planning,
8 regional planning, municipal planning, economic planning, or strategic
9 planning.

10 (2) The Council shall receive administrative support from the Vermont
11 Council on Rural Development, which shall convene the first meeting.

12 (3) The Committee shall cease to exist on March 31, 2024.

13 (h) Appropriation. In fiscal year 2024, the amount of \$50,000.00 is
14 appropriated from the General Fund to the Agency of Commerce and
15 Community Development to provide funding for the Council as follows:

16 (1) \$40,000.00 to the Vermont Council on Rural Development to
17 convene meetings of the Council and provide administrative and policy
18 support; and

19 (2) \$10,000.00 to provide per diem compensation and reimbursement of
20 expenses for members of the Council.

1 **Sec. 25. WATER AND WASTEWATER CONNECTION PERMITS**

2 (a) On or before July 1, 2025, the Agency of Natural Resources shall
3 review and update its policies and processes governing the issuance of water
4 and wastewater connection permits to identify and eliminate redundancy
5 between the State and local permits and reduce administrative burden and costs
6 for municipalities and applicants.

7 (b) The Agency shall: update the process to obtain water and wastewater
8 connection permits to be simplified and expedited; review and analyze the
9 standards and permit process in other jurisdictions; identify data and document
10 sharing and management solutions associated with connection permits and
11 make municipal and State permits available to the public in an electronic
12 format on a statewide platform; and establish clear criteria including public
13 interest, public health and safety, environmental impacts for the issuance of
14 these permits.

15
16 (Committee vote: _____)

17 _____

18 Representative _____

19 FOR THE COMMITTEE