

1 TO THE HONORABLE SENATE:

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

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

9 Sec. 1. 10 V.S.A. § 6000 is added to read:

10 § 6000. PURPOSE; CONSTRUCTION

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

16 Sec. 2. 10 V.S.A. § 6021 is amended to read:

17 § 6021. BOARD; VACANCY; REMOVAL

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

20 (1) The Board shall consist of five members appointed by the Governor,  
21 after review and approval by the Land Use Review Board Nominating

1 Committee in accordance with subdivision (2) of this subsection and  
2 confirmed with the advice and consent of the Senate, so that one appointment  
3 expires in each year. The Chair shall be a full-time position, and the other four  
4 members shall be full-time positions. In making these appointments, the  
5 Governor and the Senate shall give consideration to candidates who have  
6 experience, expertise, or skills relating to ~~the environment or land use~~ one or  
7 more of the following areas: environmental science; land use law, policy,  
8 planning, and development; and community planning. All candidates shall  
9 have a commitment to environmental justice.

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

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

20 (2) ~~The Governor shall appoint up to five persons, with preference given~~  
21 ~~to former Environmental Board, Natural Resources Board, or District~~

1 ~~Commission members, with the advice and consent of the Senate, to serve as~~  
2 ~~alternates for Board members.~~

3 (A) ~~Alternates shall be appointed for terms of four years, with initial~~  
4 ~~appointments being staggered~~ The Land Use Review Board Nominating  
5 Committee shall advertise the position when a vacancy will occur on the Land  
6 Use Review Board.

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

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

16 (b) ~~Any vacancy occurring in the membership of the Board shall be filled~~  
17 ~~by the Governor for the unexpired portion of the term~~ Terms; vacancy;  
18 succession. The term of each appointment subsequent to the initial  
19 appointments described in subsection (a) of this section shall be five years.  
20 Any appointment to fill a vacancy shall be for the unexpired portion of the  
21 term vacated. A member may seek reappointment by informing the Governor.

1 If the Governor decides not to reappoint the member, the Nominating  
2 Committee shall advertise the vacancy.

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

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

16 (e) Retirement from office. When a Board member who hears all or a  
17 substantial part of a case retires from office before the case is completed, the  
18 member may remain a member of the Board, at the member's discretion, for  
19 the purpose of concluding and deciding that case and signing the findings and  
20 judgments involved. A retiring chair shall also remain a member for the  
21 purpose of certifying questions of law if a party appeals to the Supreme Court.

1 For the service, the member shall receive a reasonable compensation to be  
2 fixed by the remaining members of the Board and necessary expenses while on  
3 official business.

4 Sec. 3. 10 V.S.A. § 6032 is added to read:

5 § 6032. LAND USE REVIEW BOARD NOMINATING COMMITTEE

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

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

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

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

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

19 (c) Terms. The members of the Committee shall serve for terms of two  
20 years. Members shall serve until their successors are appointed. Members  
21 shall serve not more than three consecutive terms. A legislative member who

1 is appointed as a member of the Committee shall retain the position for the  
2 term appointed to the Committee even if the member is subsequently not  
3 reelected to the General Assembly during the member’s term on the  
4 Committee.

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

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

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

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

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

17 (1) operating procedures of the Committee;

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

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

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

6           (i) Reimbursement. Legislative members of the Committee shall be  
7           entitled to per diem compensation and reimbursement for expenses in  
8           accordance with 32 V.S.A. § 1010. Compensation and reimbursement shall be  
9           paid from the legislative appropriation.

10           (j) Duties.

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

16           (2) An applicant for the position of member of the Land Use Review  
17           Board shall not be required to be an attorney. If the candidate is admitted to  
18           practice law in Vermont or practices a profession requiring licensure,  
19           certification, or other professional regulation by the State, the Committee shall  
20           submit the candidate’s name to the Court Administrator or the applicable State

1 professional regulatory entity, and that entity shall disclose to the Committee  
2 any professional disciplinary action taken or pending concerning the candidate.

3 (3) Candidates shall be sought who have experience, expertise, or skills  
4 relating to one or more of the following areas: environmental science; land use  
5 law, policy, planning, and development; and community planning. All  
6 candidates shall have a commitment to environmental justice.

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

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

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

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

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

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

18 Sec. 4. 10 V.S.A. § 6025 is amended to read:

19 § 6025. RULES

20 (a) The Board may adopt rules of procedure for itself and the District  
21 Commissions. The Board shall adopt rules of procedure that govern appeals



1 and other contested cases before it that are consistent with this chapter. The  
2 Board’s procedure for approving regional plans and regional plan maps, which  
3 may be adopted as rules or issued as guidance, shall ensure that the maps are  
4 consistent with legislative intent as expressed in 2802 of this title and 24  
5 V.S.A. §§ 4302 and 4348a.

6 \* \* \*

7 Sec. 5. 10 V.S.A. § 6027 is amended to read:

8 § 6027. POWERS

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

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

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

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

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

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

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

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

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

17          (f) The Board shall publish its decisions online. The Board may publish  
18 online or contract to publish annotations and indices of its decisions, the  
19 decisions of the Environmental Division of the Superior Court and the  
20 Supreme Court, and the text of those decisions. The published product shall be

1 available at a reasonable rate to the general public and at a reduced rate to  
2 libraries and governmental bodies within the State.

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

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

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

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

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

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

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

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

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

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

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

16 \* \* \*

17 Sec. 6. 10 V.S.A. § 6022 is amended to read:

18 § 6022. PERSONNEL

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

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

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

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

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

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

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

14 Sec. 7. 10 V.S.A. § 6084 is amended to read:

15 § 6084. NOTICE OF APPLICATION; HEARINGS; COMMENCEMENT OF

16 REVIEW

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

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

12 \* \* \*

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

18 \* \* \*

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

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

1 Commission together with a declaration of intent to appeal the permit. The  
2 stay request shall be automatically granted for 14 days upon receipt and notice  
3 to all parties and pending a ruling on the merits of the stay request pursuant to  
4 Board rules. The automatic stay shall not extend beyond the 30- day appeal  
5 period unless a valid appeal has been filed with the ~~Environmental Division~~  
6 Board. The automatic stay may be granted only once under this subsection  
7 during the 30-day appeal period. Following appeal of the District Commission  
8 decision, any stay request must be filed with the ~~Environmental Division~~  
9 ~~pursuant to the provisions of chapter 220 of this title~~ Board. A District  
10 Commission shall not stay construction authorized by a permit processed under  
11 the Board’s minor application procedures.

12 Sec. 9. 10 V.S.A. § 6089 is amended to read:

13 § 6089. APPEALS

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

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

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

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

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

16       or

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

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



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

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

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

11 (6) Prehearing discovery.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1           (2) the issuance of decisions on appeals pursuant to this section and  
2           section 6007 of this title.

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

4           § 6007. ACT 250 DISCLOSURE STATEMENT; JURISDICTIONAL  
5                           DETERMINATION

6   \* \* \*

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

1 demonstrate a particularized interest protected by this chapter that may be  
2 affected by an act or decision by a District Commission.

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

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

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

15 Sec. 11. 10 V.S.A. § 6083a is amended to read:

16 § 6083a. ACT 250 FEES

17 \* \* \*

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

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

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

5                                  \* \* \* Appeals \* \* \*

6        Sec. 12. 10 V.S.A. chapter 220 is amended to read:

7        CHAPTER 220. CONSOLIDATED ENVIRONMENTAL APPEALS

8        § 8501. PURPOSE

9        It is the purpose of this chapter to:

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

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

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

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

3           ~~(5)~~(4) consolidate appeals of decisions related to renewable energy  
4 generation plants and telecommunications facilities with review under,  
5 respectively, 30 V.S.A. §§ 248 and 248a, with appeals and consolidation of  
6 proceedings pertaining to telecommunications facilities occurring only while  
7 30 V.S.A. § 248a remains in effect.

8 § 8502. DEFINITIONS

9           As used in this chapter:

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

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

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

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

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

20           (A) the applicant;

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

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

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

6 (E) the solid waste management district in which the land is located,  
7 if the development or subdivision constitutes a facility pursuant to subdivision  
8 6602(10) of this title; and

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

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

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

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



1 Conservation; the Commissioner of Forests, Parks and Recreation; and the  
2 Commissioner of Fish and Wildlife; with respect to those statutes that refer to  
3 the authority of that commissioner or department.

4 § 8503. APPLICABILITY

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

9 \* \* \*

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

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

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

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

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

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

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

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

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

14 § 8504. APPEALS TO THE ENVIRONMENTAL DIVISION

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

21 \* \* \*

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

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

9 [Repealed.]

10 \* \* \*

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

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

1 ~~an act or decision of the District Commission if the Environmental judge~~  
2 ~~determines that:~~

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

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

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

9 (2) Participation before the Secretary.

10 \* \* \*

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

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

16 ~~(2) Failure to appeal within the time required under subsection (a) of~~  
17 ~~this section shall render the decision of the district coordinator under~~  
18 ~~subsection 6007(c) of this title the final determination regarding jurisdiction~~  
19 ~~under chapter 151 of this title unless the underlying jurisdictional opinion was~~  
20 ~~not properly served on persons listed in subdivisions 6085(c)(1)(A) through~~

1 ~~(D) of this title and on persons on a subdivision 6085(c)(1)(E) list approved~~  
2 ~~under subsection 6007(e) of this title. [Repealed.]~~

3 \* \* \*

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

6 \* \* \*

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

12 \* \* \*

13 (k) Limitations on appeals. Notwithstanding any other provision of this  
14 section;

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

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

1           ~~(3) if a District Commission issues a partial decision under subsection~~  
2           ~~6086(b) of this title, any appeal of that decision must be taken within 30 days~~  
3           ~~of the date of that decision.~~

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

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

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

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

18               (2) is a party by right;

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

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

1           (5) qualifies as an “interested person,” as established in 24 V.S.A.  
2           § 4465, with respect to appeals under 24 V.S.A. chapter 117; or

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

5           (o) With respect to review of an act or decision of the Secretary pursuant to  
6           3 V.S.A. § 2809, the Division may reverse the act or decision or amend an  
7           allocation of costs to an applicant only if the Division determines that the act,  
8           decision, or allocation was arbitrary, capricious, or an abuse of discretion. In  
9           the absence of such a determination, the Division shall require the applicant to  
10          pay the Secretary all costs assessed pursuant to 3 V.S.A. § 2809.

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

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

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

1 § 8505. APPEALS TO THE SUPREME COURT

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

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

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

10 (3) the Supreme Court determines that:

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

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

15 \* \* \*

16 \* \* \* Environmental Division \* \* \*

17 Sec. 13. 4 V.S.A. § 34 is amended to read:

18 § 34. JURISDICTION; ENVIRONMENTAL DIVISION

19 The Environmental Division shall have:

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



1 (2) jurisdiction of matters arising under 24 V.S.A. chapter 61,  
2 subchapter 12 and 24 V.S.A. chapter 117; ~~and~~  
3 ~~(3) original jurisdiction to revoke permits under 10 V.S.A. chapter 151.~~

4 \* \* \* Transition; Revision Authority \* \* \*

5 Sec. 14. LAND USE REVIEW BOARD POSITIONS; APPROPRIATION

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

8 (1) two Staff Attorneys; and

9 (2) four full-time Land Use Review Board members.

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

13 Sec. 15. NATURAL RESOURCES BOARD TRANSITION

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

18 (b) As of July 1, 2025, all appropriations and employee positions of the  
19 Natural Resources Board are transferred to the Land Use Review Board.

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

1       Sec. 16. ENVIRONMENTAL DIVISION; CONTINUED JURISDICTION

2           Notwithstanding the repeal of its jurisdictional authority to hear appeals  
3       relative to land use permits under Sec. 13 of this act, the Environmental  
4       Division of the Superior Court shall continue to have jurisdiction to complete  
5       its consideration of any appeal that is pending before it as of October 1, 2026 if  
6       the act or appeal has been filed. The Land Use Review Board shall have  
7       authority to be a party in any appeals pending under this section until October  
8       1, 2026.

9       Sec. 17. REVISION AUTHORITY

10           In preparing the Vermont Statutes Annotated for publication in 2025, the  
11       Office of Legislative Counsel shall replace all references to the “Natural  
12       Resources Board” with the “Land Use Review Board” in Title 3, Title 10, Title  
13       24, Title 29, Title 30, and Title 32.

14   \* \* \* Forest Blocks \* \* \*

15       Sec. 18. 10 V.S.A. § 6001 is amended to read:

16       § 6001. DEFINITIONS

17           As used in this chapter:

18   \* \* \*

19           (47) “Habitat connector” means land or water, or both, that links patches  
20       of habitat within a landscape, allowing the movement, migration, and dispersal  
21       of wildlife and plants and the functioning of ecological processes. A habitat

1 connector may include features including recreational trails and improvements  
2 constructed for farming, logging, or forestry purposes.

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

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

10 Sec. 19. 10 V.S.A. § 6086(a)(8) is amended to read:

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

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

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

19 (i) the economic, social, cultural, recreational, or other benefit to  
20 the public from the development or subdivision will not outweigh the

1 economic, environmental, or recreational loss to the public from the  
2 destruction or imperilment of the habitat or species; ~~or~~

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

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

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

16 Sec. 20. CRITERION 8(C) RULEMAKING

17 (a) The Land Use Review Board (Board), in collaboration with the Agency  
18 of Natural Resources, shall adopt rules to implement the requirements for the  
19 administration of 10 V.S.A. § 6086(a)(8)(C). It is the intent of the General  
20 Assembly that these rules discourage fragmentation of the forest blocks and

1 habitat connectors by encouraging clustering of development. Rules adopted  
2 by the Board shall include:

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

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

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

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

14 (3)(A) As used in this section “fragmentation” generally means dividing  
15 land that has naturally occurring vegetation and ecological processes into  
16 smaller areas as a result of land uses that remove vegetation and create  
17 physical barriers that limit species’ movement and interrupt ecological  
18 processes between previously connected natural vegetation. However, the  
19 rules shall further define “fragmentation” for purposes of avoiding,  
20 minimizing, and mitigating undue adverse impacts on forest blocks and habitat  
21 connectors. “Fragmentation” does not include the division or conversion of a

1 forest block or habitat connector by an unpaved recreational trail or by  
2 improvements constructed for farming, logging, or forestry purposes below the  
3 elevation of 2,500 feet.

4 (B) As used in this subsection (a), “recreational trail” has the same  
5 meaning as “trails” in 10 V.S.A. § 442.

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

10 (5) Standards for how impacts to a forest block or habitat connector may  
11 be mitigated. Standards may include:

12 (A) appropriate ratios for compensation;

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

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

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

1        (c) The Board shall file a final proposed rule with the Secretary of State  
2        and Legislative Committee on Administrative Rules on or before June 15,  
3        2026.

4        Sec. 21. 10 V.S.A. § 127 is amended to read:

5        § 127. RESOURCE MAPPING

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

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

20       (c) The Secretary shall establish and maintain written procedures that  
21       include a process and science-based criteria for updating resource maps

1 developed under subsection (a) of this section. Before establishing or revising  
2 these procedures, the Secretary shall provide opportunities for affected parties  
3 and the public to submit relevant information and recommendations.

4 \* \* \* Wood Products Manufacturers \* \* \*

5 Sec. 22. 10 V.S.A. § 6093 is amended to read:

6 § 6093. MITIGATION OF PRIMARY AGRICULTURAL SOILS

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

10 \* \* \*

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

17 \* \* \*

18 \* \* \* Road Rule \* \* \*

19 Sec. 23. 10 V.S.A. § 6001(3)(A)(xii) is added to read:

20 (xii) The construction of a road or roads and any associated  
21 driveways to provide access to or within a tract of land owned or controlled by



1 a person. For the purposes of determining jurisdiction under this subdivision,  
2 any new development or subdivision on a parcel of land that will be provided  
3 access by the road and associated driveways is land involved in the  
4 construction of the road.

5 (I) Jurisdiction under this subdivision shall not apply unless the  
6 length of any single road is greater than 800 feet, or the length of all roads and  
7 any associated driveways in combination is greater than 2,000 feet.

8 (II) As used in this subdivision (xii), “roads” shall include any  
9 new road or improvement to a class 4 town highway by a person other than a  
10 municipality, including roads that will be transferred to or maintained by a  
11 municipality after their construction or improvement.

12 (III) For the purpose of determining the length of any road and  
13 associated driveways, the length of all other roads and driveways within the  
14 tract of land constructed after July 1, 2026 shall be included.

15 (IV) This subdivision (xi) shall not apply to:

16 (aa) a State or municipal road, a utility corridor of an  
17 electric transmission or distribution company, or a road used primarily for  
18 farming or forestry purposes; and

19 (bb) development within a Tier 1A area established in  
20 accordance with section 6034 of this title or a Tier 1B area established in  
21 accordance with section 6033 of this title

1                   (V) The conversion of a road used for farming or forestry  
2                   purposes that also meets the requirements of this subdivision (xi) shall  
3                   constitute development.

4                   (VI) The intent of this subdivision (xii) is to encourage the  
5                   design of clustered subdivisions and development that does not fragment Tier 2  
6                   areas or Tier 3 areas.

7                   Sec. 24. RULEMAKING; ROAD CONSTRUCTION

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

13                                   \* \* \* Location-Based Jurisdiction \* \* \*

14                  Sec. 25. 10 V.S.A. § 6001 is amended to read:

15                  § 6001. DEFINITIONS

16                  As used in this chapter:

17                                   \* \* \*

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

19                               (i) The construction of improvements on a tract or tracts of land,  
20                               owned or controlled by a person, involving more than 10 acres of land within a  
21                               radius of five miles of any point on any involved land, for commercial or

1 industrial purposes in a municipality that has adopted permanent zoning and  
2 subdivision bylaws.

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

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

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

20 \* \* \*



1 statewide significance, riparian areas, class A waters, natural communities,  
2 recommend any additional critical natural resources that should be added to the  
3 definition, and how to define the boundaries. Rules adopted by the Board shall  
4 include:

5 (1) any necessary clarifications to how the Tier 3 definition is used in 10  
6 V.S.A. chapter 151;

7 (2) any necessary changes to how 10 V.S.A. § 6001(3)(A)(xiii) should  
8 be administered, and when jurisdiction should be triggered to protect the  
9 functions and values of resources of critical natural resources;

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

12 (4) other policies or programs that shall be developed to review  
13 development impacts to Tier 3 areas if they are not included in 10 V.S.A. §  
14 6001(46).

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

1 Opportunity Board, and other stakeholders, such as the Vermont Ski Areas  
2 Association, the Department of Taxes, Division of Property Valuation and  
3 Review, the Department of Forests, Parks and Recreation, the Department of  
4 Environmental Conservation, the Department of Fish and Wildlife, the  
5 Vermont Woodlands Association, and the Professional Logging Contractors of  
6 the Northeast.

7 (c) The Board shall file a final proposed rule with the Secretary of State  
8 and Legislative Committee on Administrative Rules on or before February 1,  
9 2026.

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

15 \* \* \* Tier 1 Areas \* \* \*

16 Sec. 27. 10 V.S.A. § 6001(3)(A)(xi) is amended to read:

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

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

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

9 (III) Notwithstanding any other provision of law to the contrary, until  
10 ~~July 1~~ December 31, 2026, the construction of a priority housing project  
11 located entirely within a designated downtown development district,  
12 designated neighborhood development area, or a designated growth center and  
13 one-half mile around the designated center.

14 Sec. 29. 2023 Acts and Resolves No. 47, Sec. 16a is amended to read:

15 Sec. 16a. ACT 250 EXEMPTION REQUIREMENTS

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

21 Sec. 30. REPEAL

1        2023 Acts and Resolves No. 47, Sec. 19c is repealed.

2        Sec. 30a. 10 V.S.A. § 6081(y) is added to read:

3            (y) ~~No~~ Until December 31, 2030, no permit or permit amendment is  
4        required for a retail electric distribution utility’s rebuilding of existing  
5        electrical distribution lines and related facilities to improve reliability and  
6        service to existing customers, through overhead or underground lines in an  
7        existing corridor, road, or State or town road right-of-way. Nothing in this  
8        section shall be interpreted to exempt projects under this subsection from other  
9        required permits or the conditions on lands subject to existing permits required  
10       by this section.

11       Sec. 31. 10 V.S.A. § 6033 is added to read:

12       § 6033. REGIONAL PLAN FUTURE LAND USE MAP REVIEW

13            (a) The Board shall review requests from regional planning commissions to  
14        approve or disapprove portions of future land use maps for the purposes of  
15        changing jurisdictional thresholds under this chapter by identifying areas on  
16        future land use maps for Tier 1B area status and to approve designations  
17        pursuant to 24 V.S.A. chapter 139. The Board may produce guidelines for  
18        regional planning commissions seeking Tier 1B area status. If requested by the  
19        regional planning commission, the Board shall complete this review  
20        concurrently with regional plan approval. A request for Tier 1B area status



1 made by a regional planning commission separate from regional plan approval  
2 shall follow the process set forth in 24 V.S.A. § 4348.

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

7 (c) To obtain a Tier 1B area status under this section, the regional planning  
8 commission shall demonstrate to the Board that the municipalities with Tier 1B  
9 areas meet the requirements for village areas included in 24 V.S.A.

10 § 4348a(a)(12)(C). A municipality may have multiple noncontiguous areas  
11 receive Tier 1B area status.

12 (d) A municipality that is eligible for Tier 1B status may formally request  
13 of the Board that they be excluded from Tier 1B area status if the municipality  
14 has elected by ordinance adopted under 24 V.S.A. chapter 59.

15 Sec. 32. 10 V.S.A. § 6034 is added to read:

16 § 6034. TIER 1A AREA STATUS

17 (a) Application and approval.

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

1 apply for multiple noncontiguous areas to be receive Tier 1A area status.

2 Applications may be submitted at different times.

3 (2) The Board shall issue an affirmative determination on finding that  
4 the municipality meets the requirements of subsection (b) of this section within  
5 45 days after the application is received.

6 (b) Tier 1A area status requirements.

7 (1) To obtain a Tier 1A area status under this section, a municipality  
8 shall demonstrate to the Board that

9 (A) The boundaries are consistent with downtown or village centers  
10 and planned growth areas as defined 24 V.S.A. § 4348a(a)(12)(B) in an  
11 approved regional plan future land use map with any minor amendments.

12 (B) The municipality has adopted flood hazard and river corridor  
13 bylaws, applicable to the entire municipality, that are consistent with or  
14 stronger than the standards established pursuant to subsection 755(b) of this  
15 title (flood hazard) and subsection 1428(b) of this title (river corridor) or the  
16 proposed Tier 1A area excludes the flood hazard areas and river corridor.

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

20 (D) The municipality has permanent land development regulations  
21 for the Tier 1A area that further the smart growth principles of 24 V.S.A.

1 chapters 76A, adequately regulate the physical form and scale of development,  
2 and provide reasonable provision for a portion of the areas with sewer and  
3 water to allow at least four stories, and conform to the guidelines established  
4 by the Board.

5 (E) The Tier 1A area is compatible with the character of adjacent  
6 National Register Historic Districts, National or State Register Historic Sites,  
7 and other significant cultural and natural resources identified by local or State  
8 government

9 (F) The municipality has identified and planned for the maintenance  
10 of significant natural communities, rare, threatened and endangered species,  
11 located in the Tier 1A area, to the degree that they are not covered under State  
12 permits.

13 (G) Public water and wastewater systems or planned improvements  
14 have the capacity to support additional development within the Tier 1A area.

15 (2) If any party entitled to notice under subdivision (c)(3)(A) of this  
16 section or any resident of the municipality raises concerns about the  
17 municipality's compliance with the requirements, those concerns shall be  
18 addressed as part of the municipality's application.

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

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

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

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

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

9 (A) Notice.

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

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

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

1 in the municipality, on the websites of the municipality and the regional  
2 planning commission, and on any relevant e-mail lists or social media that the  
3 municipality uses.

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

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

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

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

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

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

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

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

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

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

11 (d) Review of status.

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

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

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

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

19 (B) terminate the status.

20 (e) Appeal.

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

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

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

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

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

12           (D) Any 20 persons who, by signed petition, allege that the decision  
13           is not in accord with the requirements of this chapter, and who own or occupy  
14           real property located within the municipality in which the Tier 1A area is  
15           located or an adjoining municipality. The petition must designate one person  
16           to serve as the representative of the petitioners regarding all matters related to  
17           the appeal. The designated representative must have participated in the public  
18           hearing described in subdivision (c)(3) of this section.

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

1 Sec. 33. TIER 1A AREA GUIDELINES

2 On or before January 1, 2026, the Land Use Review Board shall publish  
3 guidelines to direct municipalities seeking to obtain the Tier 1A area status.

4 Sec. 34. 24 V.S.A. § 4382 is amended to read:

5 § 4382. THE PLAN FOR A MUNICIPALITY

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

10 \* \* \*

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

13 \* \* \*

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

20 \* \* \*

21 Sec. 35. 10 V.S.A. § 6081 is amended to read:



1 § 6081. PERMITS REQUIRED; EXEMPTIONS

2 \* \* \*

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

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

13 (3) Upon receiving notice and a copy of the permit issued by an  
14 appropriate municipal panel pursuant to 24 V.S.A. § 4460(f), a previously  
15 issued permit for a development or subdivision located in a Tier 1A area shall  
16 remain attached to the property. However, neither the Board nor the Agency  
17 of Natural Resources shall enforce the permit or assert amendment jurisdiction  
18 on the tract or tracts of land unless the designation is revoked or the  
19 municipality has not taken any reasonable action to enforce the conditions of  
20 the permit.

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

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

6        (cc) No permit amendment is required for the construction of  
7        improvements for converting a structure used for a commercial purpose to  
8        29 or fewer housing units.

9        (dd) Interim housing exemptions.

10        (1) Notwithstanding any other provision of law to the contrary, until  
11        July 1, 2027, no permit or permit amendment is required for the construction of  
12        housing projects such as cooperatives, condominiums, dwellings, or mobile  
13        homes, with 75 or units fewer, constructed or maintained on a tract or tracts of  
14        land, located entirely within a designated downtown development district and  
15        within one-half mile of its boundary, a designated new town center, a  
16        designated growth center, or a designated neighborhood development area.  
17        Housing units constructed pursuant to this subdivision shall not count towards  
18        the total units constructed in other areas.

19        (2) Notwithstanding any other provision of law to the contrary, until  
20        July 1, 2027, no permit or permit amendment the construction of housing  
21        projects such as cooperatives, condominiums, dwellings, or mobile homes,

1 with 50 or fewer units, constructed or maintained on a tract or tracts of land of  
2 10 acres or less, located entirely within a designated village center and within  
3 one-quarter mile of its boundary. Housing units constructed pursuant to this  
4 subdivision shall not count towards the total units constructed in other areas.

5 Sec. 36. 24 V.S.A. § 4460 is amended to read:

6 § 4460. APPROPRIATE MUNICIPAL PANELS

7 \* \* \*

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

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

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

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

12 regulations or bylaws adopted pursuant to this subchapter.

13 (2) The appropriate municipal panel reviewing a municipal permit or  
14 permit amendment pursuant to this subsection shall include conditions  
15 contained within a permit previously issued pursuant to 10 V.S.A. chapter 151

16 unless the panel determines that the permit condition pertains to any of the  
17 following:

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

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

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

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

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

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

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

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

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

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

5        Sec. 37. TIER 2 AREA REPORT

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

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

11          (2) address how to apply location-based jurisdiction to Tier 2 areas  
12          while meetings the statewide planning goals, including how to address  
13          commercial development and which shall also include:

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

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

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

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

6           Sec. 38. WOOD PRODUCTS MANUFACTURERS REPORT

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

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

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

19           (d) On or before December 15, 2024, the Natural Resources Board shall  
20           submit the report to the House Committees on Agriculture, Food Resiliency,

1 and Forestry and on Environment and Energy and the Senate Committee on  
2 Natural Resources and Energy.

3 Sec. 39. LOCATION-BASED JURISDICTION REVIEW

4 On or before February 1, 2029, the Land Use Review Board shall review  
5 and report on the new Tier jurisdiction framework used to establish location-  
6 based jurisdiction for 10 V.S.A. chapter 151. The Board shall report on the  
7 outcomes and outline successes and any changes that are needed. The Board  
8 shall undertake an in-depth review of the Act 250 updates, including the duties  
9 and responsibilities of all the staff and the Board itself, specifically whether the  
10 updates have reduced appeals and whether the updates have created more  
11 equity and cohesion amongst the District Commissions and district  
12 coordinators.

13 Sec. 40. AFFORDABLE HOUSING DEVELOPMENT REGULATORY

14 INCENTIVES STUDY

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

18 (1) engage with diverse stakeholders including housing developers, local  
19 government officials, housing advocacy organizations, financial institutions,  
20 and community members to identify regulatory policies that incentivize mixed-  
21 income, mixed-use development and support affordable housing production as

1 a percentage of new housing units in communities throughout the State,  
2 including examining the impact of inclusionary zoning; and  
3 (2) develop recommendations for legislative, regulatory, and  
4 administrative actions to improve and expand affordable housing development  
5 incentives within State designated areas.

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

11 Sec. 41. POSITION; DEPARTMENT OF FISH AND WILDLIFE

12 In fiscal year 2025, \$125,000.00 is appropriated from the General Fund to  
13 the Department of Fish and Wildlife, Wildlife Division for one new permanent  
14 classified Biologist position to assist the Department in supporting the  
15 implementation of this act.

16 \* \* \* Future Land Use Maps \* \* \*

17 Sec. 42. 24 V.S.A. § 4302 is amended to read:

18 §4302. PURPOSE; GOALS

19 \* \* \*

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



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

3 (A) Intensive residential development should be encouraged  
4 primarily in ~~areas related to community centers~~ downtown centers , village  
5 centers, planned growth areas, and village areas as described in section 4348a  
6 of this title, and strip development along highways should be ~~discouraged~~  
7 avoided. These areas should be planned so as to accommodate a substantial  
8 majority of housing needed to reach the housing targets developed for each  
9 region pursuant to subdivision 4348a(a)(9) of this title.

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

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

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

19 \* \* \*

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

1 (A) significant natural and fragile areas;

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

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

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

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

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

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

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

17 \* \* \*

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

20 (A) Housing should be encouraged to meet the needs of a diversity of  
21 social and income groups in each Vermont community, particularly for those

1 citizens of low and moderate income, and consistent with housing targets  
2 provided for in subdivision 4348a(a)(9) of this title.

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

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

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

13 \* \* \*

14 (14) To encourage flood resilient communities.

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

18 (B) The protection and restoration of floodplains and upland forested  
19 areas that attenuate and moderate flooding and fluvial erosion should be  
20 encouraged.

1 (C) Flood emergency preparedness and response planning should be  
2 encouraged.

3 (15) To equitably distribute environmental benefits and burdens as  
4 described in 3 V.S.A. chapter 72.

5 \* \* \*

6 Sec. 43. 24 V.S.A. § 4345a is amended to read:

7 § 4345a. DUTIES OF REGIONAL PLANNING COMMISSIONS

8 A regional planning commission created under this chapter shall:

9 \* \* \*

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

14 (A) develop and carry out a process that will encourage and enable  
15 widespread citizen involvement and meaningful participation, as defined in  
16 3 V.S.A. § 6002;

17 (B) develop a regional data base that is compatible with, useful to,  
18 and shared with the geographic information system established under 3 V.S.A.  
19 § 20;

20 (C) conduct capacity studies;

1 (D) identify areas of regional significance. Such areas may be, but  
2 are not limited to, historic sites, earth resources, rare and irreplaceable natural  
3 areas, recreation areas, and scenic areas;

4 (E) ~~use a land evaluation and site assessment system, that shall at a~~  
5 ~~minimum use the criteria established by the Secretary of Agriculture, Food and~~  
6 ~~Markets under 6 V.S.A. § 8, to identify viable agricultural lands~~ consider the  
7 potential environmental benefits and environmental burdens, as defined in  
8 3 V.S.A. §6002, of the proposed plan;

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

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

13 \* \* \*

14 (11) Review proposed State capital expenditures prepared pursuant to 32  
15 V.S.A. chapter 5 and the Transportation Program prepared pursuant to  
16 19 V.S.A. chapter 1 for compatibility and consistency with regional plans and  
17 submit comments to the Secretaries of Transportation and Administration and  
18 the legislative committees of jurisdiction.

19 \* \* \*

20 (17) As part of its regional plan, define a substantial regional impact, as  
21 the term may be used with respect to its region. This definition shall be given

1 ~~due consideration~~ substantial deference, where relevant, in State regulatory  
2 proceedings.

3 \* \* \*

4 Sec. 44. 24 V.S.A. § 4347 is amended to read:

5 § 4347. PURPOSES OF REGIONAL PLAN

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

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

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

20 (3) promote an efficient and economic utilization of drainage, energy,  
21 sanitary, and other facilities and resources;

1 (4) promote the conservation of the supply of food, water, energy, and  
2 minerals;

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

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

7 (7) help communities equitably build resilience to address the effects of  
8 climate change through mitigation and adaptation consistent with the Vermont  
9 Climate Action Plan adopted pursuant to 10 V.S.A. § 592 and 3 V.S.A. chapter  
10 72.

11 Sec. 45. 24 V.S.A. § 4348 is amended to read:

12 § 4348. ADOPTION AND AMENDMENT OF REGIONAL PLAN

13 (a) A regional planning commission shall adopt a regional plan. Any plan  
14 for a region, and any amendment ~~thereof~~, shall be prepared by the regional  
15 planning commission. At the outset of the planning process and throughout  
16 the process, regional planning commissions shall solicit the participation of  
17 each of their member municipalities, local citizens, and organizations by  
18 holding informal working sessions that suit the needs of local people. The  
19 purpose of these working sessions is to allow for meaningful participation as  
20 defined in 3 V.S.A. § 6002, provide consistent information about new statutory  
21 requirements related to the regional plan, explain the reasons for new

1 requirements, and gather information to be used in the development of the  
2 regional plan and future land use element.

3 (b) 60 days prior to holding the first public hearing on a regional plan, a  
4 regional planning commission shall submit a draft regional plan to the Land  
5 Use Review Board review and comments related to conformance of the draft  
6 with sections 4302 and 4348a of this title and chapter 139 of this title. The  
7 Board shall coordinate with other State agencies and respond within 60 days  
8 unless more time is granted by the regional planning commission.

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

13 ~~(e)~~(d)(1) At least 30 days prior to the first hearing, a copy of the proposed  
14 plan or amendment, a report documenting conformance with the goals  
15 established in section 4302 of this chapter and the plan elements established in  
16 section 4348a of this chapter, and a description of any changes to the Regional  
17 Future Land Use Map with a request for general comments and for specific  
18 comments with respect to the extent to which the plan or amendment is  
19 consistent with the goals established in section 4302 of this title, shall be  
20 delivered physically or electronically with proof of receipt or sent by certified  
21 mail, return receipt requested, to each of the following:



1           ~~(1)~~(A) the chair of the legislative body **or municipal manager, if any** of  
2 each municipality within the region;

3           ~~(2)~~(B) the executive director of each abutting regional planning  
4 commission;

5           ~~(3)~~(C) the Department of Housing and Community Development within  
6 the Agency of Commerce and Community Development and the Community  
7 Investment Board for a formal review and comment;

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

11           ~~(5)~~(E) the Agency of Natural Resources ~~and~~; the Agency of Agriculture,  
12 Food and Markets; the Agency of Transportation; the Department of Public  
13 Service; the Department of Public Safety’s Division of Emergency  
14 Management; and the Land Use Review Board.

15           (2) At least 30 days prior to the first hearing, the regional planning  
16 commission shall provide each of its member municipalities with a written  
17 description of map changes within the municipality, a municipality-wide map  
18 showing old versus new areas with labels, and information about the new Tier  
19 structure under 10 V.S.A. chapter 151, including how to obtain Tier 1A or 1B  
20 status, and the process for updating designated area boundaries.

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

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

12      ~~(f)~~(g) A regional plan or amendment shall be adopted by not less than a  
13      60 percent vote of the commissioners representing municipalities, in  
14      accordance with the bylaws of the regional planning commission, ~~and~~  
15      ~~immediately submitted to the legislative bodies of the municipalities that~~  
16      ~~comprise the region. The plan or amendment shall be considered duly adopted~~  
17      ~~and shall take effect 35 days after the date of adoption, unless, within 35 days~~  
18      ~~of the date of adoption, the regional planning commission receives certification~~  
19      ~~from the legislative bodies of a majority of the municipalities in the region~~  
20      ~~vetoing the proposed plan or amendment. In case of such a veto, the plan or~~  
21      ~~amendment shall be deemed rejected.~~

1       (h)(1) Within 15 days following adoption, a regional planning commission  
2       shall submit its regionally adopted regional plan to the Land Use Review  
3       Board for a determination of regional plan compliance with a report  
4       documenting conformance with the goals established in section 4302 of this  
5       chapter and the plan elements established in section 4348a of this chapter and a  
6       description of any changes to the regional plan future land use map.

7               (2) The Land Use Review Board shall hold a public hearing within 60  
8       days after receiving a plan and provide notice of it at least 15 days in advance  
9       by direct mail or electronically with proof of receipt to the requesting regional  
10       planning commission, posting on the website of the Land Use Review Board,  
11       and publication in a newspaper of general circulation in the region affected.  
12       The regional planning commission shall notify its municipalities and post on  
13       its website the public hearing notice.

14               (3) The Land Use Review Board shall issue the determination in writing  
15       within 15 days after the close of the hearing on the plan. If the determination  
16       is affirmative, a copy of the determination shall be provided to the regional  
17       planning commission and the Community Investment Board. If the  
18       determination is negative, the Land Use Review Board shall state the reasons  
19       for denial in writing and, if appropriate, suggest acceptable modifications.  
20       Submissions for a new determination that follow a negative determination shall  
21       receive a new determination within 45 days.

1           (4) The Land Use Review Board’s affirmative determination shall be  
2           based upon finding the regional plan meets the following requirements:

3                   (A) Consistency with the State planning goals as described in section  
4                   4302 of this chapter with consistency determined in the manner described  
5                   under subdivision 4302(f)(1) of this chapter.

6                   (B) Consistency with the purposes of the regional plan established in  
7                   section 4347 of chapter.

8                   (C) Consistency with the regional plan elements as described in  
9                   section 4348a of this chapter, except that the requirements of section 4352 of  
10                  this chapter related to enhanced energy planning shall be the under the sole  
11                  authority of the Department of Public Service.

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

14                  (i) Objections of interested parties.

15                   (1) An interested party who has participated in the regional plan  
16                   adoption process may object to the approval of the plan or approval of the  
17                   future land use maps by the Land Use Review Board within 15 days following  
18                   plan adoption by the regional planning commission. Participation is defined as  
19                   providing written or oral comments stating objections for consideration at a  
20                   public hearing held by the regional planning commission. Objections shall be  
21                   submitted using a form provided by the Land Use Review Board.

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

3           (A) Any 20 persons by signed petition who own property or reside  
4           within the region. The petition must designate one person to serve as the  
5           representative of the petitioners regarding all matters related to the objection.  
6           The designated representative shall have participated in the regional plan  
7           adoption process.

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

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

15           (4) The Land Use Review Board shall hear any objections of regional  
16           plan adoption concurrently with regional plan review under subsection (h) of  
17           this section and 10 V.S.A. § 6033. The Land Use Review Board decision of  
18           approval of a regional plan shall expressly evaluate any objections and state  
19           the reasons for their decisions in writing. If applicable, the decision to uphold  
20           an objection shall suggest modifications to the regional plan.

1       (j) Minor amendments to regional plan future land use map. A regional  
2       planning commission may submit a request for a minor amendment to  
3       boundaries of a future land use area for consideration by the Land Use Review  
4       Board with a letter of support from the municipality. The request may only be  
5       submitted after an affirmative vote of the municipal legislative body and the  
6       regional planning commission board. The Land Use Review Board, after  
7       consultation with the Community Investment Board and the regional planning  
8       commissions, shall provide guidance about what constitutes a minor  
9       amendment. Minor amendments may include any change to a future land use  
10       area consisting of fewer than 10 acres. A minor amendment to a future land  
11       use area shall not require an amendment to a regional plan and shall be  
12       included in the next iteration of the regional plan. The Board may adopt rules  
13       to implement this section.

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

17       (l) Regional planning commissions shall be provided up to 18 months from  
18       a negative determination by the Land Use Review Board to obtain an  
19       affirmative determination of regional plan compliance. If a regional planning  
20       commission is unable to obtain affirmative determination of regional plan  
21       compliance, the plan shall be considered unapproved and member

1 municipalities shall lose any associated benefits related to designations, Act  
2 250 exemptions, or State infrastructure investments.

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

7 ~~(g)~~(n) Regional plans may be reviewed from time to time and may be  
8 amended in the light of new developments and changed conditions affecting  
9 the region.

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

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

16 (2) to the extent that such a conflict exists, the regional plan shall be  
17 given effect if it is demonstrated that the project under consideration in the  
18 proceedings would have a substantial regional impact as determined by the  
19 definition in the regional plan.

20 (p) Regional planning commissions shall adopt a regional plan in  
21 conformance with this title on or before December 31, 2026.

1 Sec. 46. 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 (1) A statement of basic policies of the region to guide the future growth  
6 and development of land and of public services and facilities, and to protect the  
7 environment.

8 (2) A ~~land-use~~ natural resources and working lands element, which shall  
9 consist of a map or maps and ~~statement of present and prospective land uses~~  
10 policies, based on ecosystem function, consistent with Vermont Conservation  
11 Design, support compact centers surrounded by rural and working lands, and  
12 that:

13 (A) Indicates those areas of significant natural resources, including  
14 existing and proposed for forests, wetlands, vernal pools, rare and irreplaceable  
15 natural areas, floodplains, river corridors, recreation, agriculture, ~~( using the~~  
16 agricultural lands identification process established in 6 V.S.A. § 8), residence,  
17 commerce, industry, public, and ~~semi-public~~ semipublic uses, open spaces,  
18 areas reserved for flood plain, forest blocks, habitat connectors, recreation  
19 areas and recreational trails, and areas identified by the State, regional planning  
20 commissions, or municipalities that require special consideration for aquifer



1 protection; for wetland protection; for the maintenance of forest blocks,  
2 wildlife habitat, and habitat connectors; or for other conservation purposes.

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

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

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

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

1           ~~(F)~~(C) Indicates those areas that are important as forest blocks and  
2           habitat connectors and plans for land development in those areas to minimize  
3           forest fragmentation and promote the health, viability, and ecological function  
4           of forests. A plan may include specific policies to encourage the active  
5           management of those areas for wildlife habitat, water quality, timber  
6           production, recreation, or other values or functions identified by the regional  
7           planning commission.

8           (D) Encourages preservation of rare and irreplaceable natural areas,  
9           scenic and historic features and resources.

10           (E) Encourages protection and improvement of the quality of waters  
11           of the State to be used in the development and furtherance of the applicable  
12           basin plans established by the Secretary of Natural Resources under 10 V.S.A.  
13           § 1253.

14           (3) An energy element, ~~which may include~~ including an analysis of  
15           resources, needs, scarcities, costs, and problems within the region across all  
16           energy sectors, including electric, thermal, and transportation; a statement of  
17           policy on the conservation and efficient use of energy and the development and  
18           siting of renewable energy resources; a statement of policy on patterns and  
19           densities of land use likely to result in conservation of energy; and an  
20           identification of potential areas for the development and siting of renewable

1 energy resources and areas that are unsuitable for siting those resources or  
2 particular categories or sizes of those resources.

3 (4) A transportation element, ~~which may consist~~ consisting of a  
4 statement of present and prospective transportation and circulation facilities,  
5 and a map showing existing and proposed highways, including limited access  
6 highways, and streets by type and character of improvement, and where  
7 pertinent, anticipated points of congestion, parking facilities, transit routes,  
8 terminals, bicycle paths and trails, scenic roads, airports, railroads and port  
9 facilities, and other similar facilities or uses, and recommendations to meet  
10 future needs for such facilities, with indications of priorities of need, costs, and  
11 method of financing.

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

21 (6) ~~A statement of policies on the:~~



1 downtown or village centers are the traditional and historic central business  
2 and civic centers within planned growth areas, village areas, or may stand  
3 alone. Village centers are not required to have public water, wastewater,  
4 zoning, or subdivision bylaws.

5 (B) Planned growth areas. These areas include the high-density  
6 existing settlement and future growth areas with high concentrations of  
7 population, housing, and employment in each region and town, as appropriate.  
8 They include a mix of historic and non-historic commercial, residential, and  
9 civic or cultural sites with active streetscapes, supported by land development  
10 regulations; public water or wastewater, or both; and multimodal transportation  
11 systems. These areas include new town centers, downtowns, village centers,  
12 growth centers, and neighborhood development areas previously designated  
13 under chapter 76A of this title. These areas should generally meet the smart  
14 growth principles definition in chapter 139 of this title and the following  
15 criteria:

16 (i) The municipality has a duly adopted and approved plan and a  
17 planning process that is confirmed in accordance with section 4350 of this title  
18 and has adopted bylaws and regulations in accordance with sections 4414,  
19 4418, and 4442 of this title.

20 (ii) This area is served by public water or wastewater  
21 infrastructure.

1                   (iii) The area is generally within walking distance from the  
2                   municipality’s or an adjacent municipality’s downtown, village center, new  
3                   town center, or growth center.

4                   (iv) The area excludes identified flood hazard and river corridors  
5                   areas, except those areas containing preexisting development in areas suitable  
6                   for infill development as defined in section 29-201 of the Vermont Flood  
7                   Hazard Area and River Corridor Rule.

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

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

12                  (vii) The area is served by planned or existing transportation  
13                  infrastructure that conforms with “complete streets” principles as described  
14                  under 19 V.S.A. chapter 24 and establishes pedestrian access directly to the  
15                  downtown, village center, or new town center. Planned transportation  
16                  infrastructure includes those investments included in the municipality’s capital  
17                  improvement program pursuant to section 4430 of this title.

18                  (C) Village areas. These areas include the traditional settlement area  
19                  or a proposed new settlement area, typically composed of a cohesive mix of  
20                  residential, civic, religious, commercial, and mixed-use buildings, arranged  
21                  along a main street and intersecting streets that are within walking distance for

1 residents who live within and surrounding the core. These areas include  
2 existing village center designations and similar areas statewide, but this area is  
3 larger than the village center designation. Village areas shall meet the  
4 following criteria:

5 (i) The municipality has a duly adopted and approved plan and a  
6 planning process that is confirmed in accordance with section 4350 of this title.

7 (ii) The municipality has adopted bylaws and regulations in  
8 accordance with sections 4414, 4418, and 4442 of this title.

9 (iii) Unless the municipality has adopted flood hazard and river  
10 corridor bylaws, applicable to the entire municipality, that are consistent with  
11 the standards established pursuant to 10 V.S.A. § 755b (flood hazard) and  
12 10 V.S.A. § 1428(b) (river corridor), the area excludes identified flood hazard  
13 and river corridors, except those areas containing preexisting development in  
14 areas suitable for infill development as defined in 29-201 of the Vermont  
15 Flood Hazard Area and River Corridor Rule.

16 (iv) The municipality has either municipal water or wastewater. If  
17 no public wastewater is available, the area must have soils that are adequate for  
18 wastewater disposal.

19 (v) The area has some opportunity for infill development or new  
20 development areas where the village can grow and be flood resilient.

1           (D) Transition or infill area. These areas include areas of existing or  
2           planned commercial, office, mixed-use development, or residential uses either  
3           adjacent to a planned growth or village area or a new stand-alone transition or  
4           infill area and served by, or planned for, public water or wastewater, or both.  
5           The intent of this land use category is to transform these areas into higher-  
6           density, mixed-use settlements, or residential neighborhoods through infill and  
7           redevelopment or new development. New commercial linear strip  
8           development is not allowed as to prevent it negatively impacting the economic  
9           vitality of commercial areas in the adjacent or nearby planned growth or  
10           village area. This area could also include adjacent greenfields safer from  
11           flooding and planned for future growth.

12           (E) Resource-based recreation areas. These areas include large-scale  
13           resource-based recreational facilities, often concentrated around ski resorts,  
14           lakeshores, or concentrated trail networks, that may provide infrastructure,  
15           jobs, or housing to support recreational activities.

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



1           (G) Hamlets. Small historic clusters of homes and may include a  
2           school, place of worship, store, or other public buildings not planned for  
3           significant growth; no public water supply or wastewater systems; and mostly  
4           focused along one or two roads. These may be depicted as points on the future  
5           land use map.

6           (H) Rural; general. These areas include areas that promote the  
7           preservation of Vermont’s traditional working landscape and natural area  
8           features. They allow for low-density residential and some limited commercial  
9           development that is compatible with productive lands and natural areas. This  
10           may also include an area that a municipality is planning to make more rural  
11           than it is currently.

12           (I) Rural; agricultural and forestry. These areas include blocks of  
13           forest or farmland that sustain resource industries, provide critical wildlife  
14           habitat and movement, outdoor recreation, flood storage, aquifer recharge, and  
15           scenic beauty, and contribute to economic well-being and quality of life.  
16           Development in these areas should be carefully managed to promote the  
17           working landscape and rural economy, and address regional goals, while  
18           protecting the agricultural and forest resource value.

19           (J) Rural; conservation. These are areas of significant natural  
20           resources, identified by regional planning commissions or municipalities based  
21           upon existing Agency of Natural Resources mapping that require special

1 consideration for aquifer protection; for wetland protection; for the  
2 maintenance of forest blocks, wildlife habitat, and habitat connectors; or for  
3 other conservation purposes. The mapping of these areas and accompanying  
4 policies are intended to help meet requirements of 10 V.S.A. chapter 89. Any  
5 portion of this area that is approved by the LURB as having Tier 3 area status  
6 shall be identified on the future land use map as an overlay upon approval.

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

11 (c) The regional plan future land use map shall delineate areas within the  
12 regional planning commission's member municipalities that are eligible to  
13 receive designation benefits as centers and neighborhoods when the future land  
14 use map is approved by the Land Use Review Board per 10 V.S.A. § 6033.

15 The areas eligible for designation as centers shall be identified on the regional  
16 plan future land use map as regional downtown centers and village centers.

17 The areas eligible for designation as neighborhoods shall be identified on the  
18 regional plan future land use map as planned growth areas and village areas in  
19 a manner consistent with this section and chapter 139 of this title. This  
20 methodology shall include all approved designated downtowns, villages, new  
21 town centers, neighborhood development areas, and growth centers existing on

1 December 31, 2025, unless the subject member municipality requests  
2 otherwise.

3 (d) With the exception of preexisting, nonconforming designations  
4 approved prior to the establishment of the program, the areas eligible for  
5 designation benefits upon the Land Use Review Board’s approval of the  
6 regional plan future land use map for designation as a center shall not include  
7 development that is disconnected from a downtown or village center and that  
8 lacks an existing or planned pedestrian connection to the center via a complete  
9 street.

10 (e) The Vermont Association of Planning and Development Agencies shall  
11 develop, maintain, and update standard methodology and process for the  
12 mapping of areas eligible for Tier 1B status under 10 V.S.A. § 6033 and  
13 designation under chapter 139 of this title. The methodology shall be issued  
14 on or before December 31, 2024, in consultation with the Department of  
15 Housing and Community Development and Natural Resources Board.

16 Sec. 47. REGIONAL PLANNING COMMISSION STUDY

17 (a) The Vermont Association of Planning and Development Agencies  
18 (VAPDA) shall hire an independent contractor to study the strategic  
19 opportunities for regional planning commissions to better serve municipalities  
20 and the State. This study shall seek to ensure that the regional planning  
21 commissions are statutorily enabled and strategically positioned to meet

1 ongoing and emerging State and municipal needs and shall review the  
2 following: governance, funding, programs, service delivery, equity,  
3 accountability, and staffing.

4 (b) A stakeholder group composed of the Vermont League of Cities and  
5 Towns, Vermont Council on Rural Development, the Department of Housing  
6 and Community Development, the Agency of Administration, the Office of  
7 Racial Equity, legislators, and others will be invited to participate in the study  
8 to provide their insights into governance structure, accountability and  
9 performance standards.

10 (c) The study shall identify the gaps in statutory enabling language,  
11 structure, and local engagement and make recommendations on how to  
12 improve and ensure consistent and equitable statewide programming and local  
13 input and engagement including methods to improve municipal participation;  
14 the amount of regional planning grant funding provided to each regional  
15 planning commission relative to statutory responsibilities, the number of  
16 municipalities, and other demands; and how to make it easier for  
17 municipalities to work together.

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

1 and the Senate Committees on Economic Development, Housing and General  
2 Affairs, on Natural Resources and Energy, and on Government Operations.

3 \* \* \* Resilience Planning \* \* \*

4 Sec. 48. 24 V.S.A. § 4306 is amended to read:

5 § 4306. MUNICIPAL AND REGIONAL PLANNING AND RESILIENCE  
6 FUND

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

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

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

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

19 (B) 70 percent shall be disbursed to the Secretary of Commerce and  
20 Community Development for performance contracts with regional planning

1 commissions to provide regional planning services pursuant to section 4341a  
2 of this title; and

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

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

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

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

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

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

1           (3) Of the annual disbursement to municipalities, an amount not to  
2 exceed 20 percent of the total may be disbursed to the Department to  
3 administer a program providing direct technical consulting assistance under  
4 retainer on a rolling basis to any eligible municipality to meet the requirements  
5 for designated neighborhood development area under chapter 76A of this title,  
6 provided that the municipality is eligible for funding under subdivision (2) of  
7 this subsection and meets funding guidelines established by the Department to  
8 ensure accessibility for lower capacity communities, municipal readiness, and  
9 statewide coverage.

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

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

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

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

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

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

4           (d) Until July 1, 2027, the annual disbursement to municipalities shall:

5                 (1) prioritize funding grants to municipalities that do not have zoning or  
6 subdivision bylaws to create zoning or subdivision bylaws;

7                 (2) allow a regional planning commission to submit an application for  
8 disbursement on behalf of a municipality; and

9                 (3) not require a municipality without zoning or subdivision bylaws to  
10 contribute matching funds in order to receive a grant.

11           Sec. 49. MUNICIPAL AND REGIONAL PLANNING AND RESILIENCE

12                           GRANT PROGRAM

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

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



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

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

8           Sec. 50. CLIMATE RESILIENCY PLANNING POSITIONS

9           (a) In addition to other funds appropriated to the Agency of Commerce and  
10           Community Development in fiscal year 2025, \$125,000.00 is appropriated  
11           from the General Fund to the Agency for the purpose of creating a new  
12           permanent full-time position to staff the climate resiliency grants from the  
13           Municipal and Regional Planning and Resilience Grant Program.

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

1                                   \* \* \* Designated Areas Update \* \* \*

2       Sec. 51. REPEALS

3           (a) 24 V.S.A. chapter 76A (Historic Downtown Development) is repealed  
4       on July 1, 2034.

5           (b) 24 V.S.A. § 2792 (Vermont Downtown Development Board) is  
6       repealed on July 1, 2024.

7       Sec. 52. 24 V.S.A. chapter 139 is added to read:

8           CHAPTER 139. STATE COMMUNITY INVESTMENT PROGRAM

9           § 5801. DEFINITIONS

10          As used in this chapter:

11           (1) “Community Investment Program” means the program established in  
12       this chapter, as adapted from the former State designated areas program  
13       formerly in chapter 76A of this title. Statutory references outside this chapter  
14       referring to the former State-designated downtown, village centers, and new  
15       town centers shall mean designated center, once established. Statutory  
16       references outside this chapter referring to the former State-designated  
17       neighborhood development areas and growth centers shall mean designated  
18       neighborhood, once established. The program shall extend access to benefits  
19       that sustain and revitalize existing buildings and maintain the basis of the  
20       program’s primary focus on revitalizing historic downtowns, villages and  
21       surrounding neighborhoods by promoting smart growth development patterns

1 and historic preservation practices vital to Vermont’s economy, cultural  
2 landscape, equity of opportunity, and climate resilience.

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

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

7 (4) “Downtown center” or “village center” means areas on the regional  
8 plan future land use maps that may be designated as a center consistent with  
9 section 4348a of this title.

10 (5) “LURB” refers to the Land Use Review Board established pursuant  
11 to 10 V.S.A. § 6021.

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

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

20 (8) “Planned growth area” means an area on the regional plan future  
21 land use maps required under section 4348a of this title, which may encompass

1 a downtown center or village center on the regional future land use map and  
2 may be designated as a center or neighborhood, or both.

3 (9) “Regional plan future land use map” means the map prepared  
4 pursuant to section 4348a of this title.

5 (10) “Sprawl repair” means the redevelopment of lands with buildings,  
6 traffic and circulation, parking, or other land coverage in a pattern that is  
7 consistent with smart growth principles.

8 (11) “State Board” means the Vermont Community Investment Board  
9 established in section 5802 of this title.

10 (12) “State Designated Downtown and Village Center” or “center”  
11 means a contiguous downtown or village a portion of which is listed or eligible  
12 for listing in the national register of historic places area approved as part of the  
13 LURB review of regional plan future land use maps, which may include an  
14 approved preexisting designated designated downtown, village center, or  
15 designated new town center established prior to the approval of the regional  
16 plan future land use maps.

17 (13) “State designated neighborhood” or “neighborhood” means a  
18 contiguous geographic area approved as part of the Land Use Review Board  
19 review of regional plan future land use maps that is compact and adjacent and  
20 contiguous to a center.

1           (14) “Vermont Downtown Program” means a program within the  
2           Department that coordinates with Main Street America that helps support  
3           community investment and economic vitality while preserving the historic  
4           character of Vermont’s downtowns. The Vermont Downtown Program  
5           provides downtowns with financial incentives, training, and technical  
6           assistance supporting local efforts to restore historic buildings, improve  
7           housing, design walkable communities, and encourage economic development  
8           by incentivizing public and private investments.

9           (15) “Village area” means an area on the regional plan future land use  
10           maps adopted pursuant to section 4348a of this title, which may encompass a  
11           village center on the regional future land use map.

12           § 5802. VERMONT COMMUNITY INVESTMENT BOARD

13           (a) A Vermont Community Investment Board, also referred to as the “State  
14           Board,” is created to administer the provisions of this chapter. The State Board  
15           shall be composed of the following members or their designees:

16           (1) the Secretary of Commerce and Community Development;

17           (2) the Secretary of Transportation;

18           (3) the Secretary of Natural Resources;

19           (4) the Commissioner of Public Safety;

20           (5) the State Historic Preservation Officer;

1           (6) a member of the community designated by the Director of Racial  
2           Equity;

3           (7) a person, appointed by the Governor from a list of three names  
4           submitted by the Vermont Natural Resources Council and the Preservation  
5           Trust of Vermont;

6           (8) a person, appointed by the Governor from a list of three names  
7           submitted by the Vermont Association of Chamber of Commerce Executives;

8           (9) three public members representative of local government, one of  
9           whom shall be designated by the Vermont League of Cities and Towns and  
10          two of whom shall be appointed by the Governor;

11          (10) the Executive Director of the Vermont Bond Bank;

12          (11) the State Treasurer;

13          (12) a member of the Vermont Planners Association designated by the  
14          Association;

15          (13) a representative of a regional development corporation designated  
16          by the regional development corporations; and

17          (14) a representative of a regional planning commission designated by  
18          the Vermont Association of Planning and Development Agencies.

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

1       (c) The Department shall provide legal, staff, and administrative support to  
2       the State Board; shall produce guidelines to direct municipalities seeking to  
3       obtain designation under this chapter and for other purposes established by this  
4       chapter; and shall pay per diem compensation for board members pursuant to  
5       32 V.S.A. § 1010(b).

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

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

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

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

13           (2) to review and comment on proposed regional plan future land use  
14       maps prepared by the regional planning commission and presented to the  
15       LURB for designated center and designated neighborhood recognition under  
16       10 V.S.A. § 6033;

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

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

1           (6) to review and comment on LURB guidelines, rules, or procedures  
2           for the regional plan future land use maps as they relate to the designations  
3           under this chapter.

4           § 5803. DESIGNATION OF DOWNTOWN AND VILLAGE CENTERS

5           (a) Designation established. A regional planning commission may apply to  
6           the LURB for approval and designation of all centers by submitting the  
7           regional plan future land use map adopted by the regional planning  
8           commission. The regional plan future land use map shall identify downtown  
9           centers and village centers as the downtown and village areas eligible for  
10           designation as centers. The Department and State Board shall provide  
11           comments to the Land Use Review Board on areas eligible for center  
12           designation as provided under this chapter.

13           (b) Inclusions. The areas mapped by the regional planning commissions as  
14           a center shall allow for the designation of preexisting, designated downtowns,  
15           village centers and new town centers in existence on or before December 31,  
16           2025.

17           (c) Exclusions. With the exception for preexisting, nonconforming  
18           designations approved prior to the establishment of the program under this  
19           chapter or areas included in the municipal plan for the purposes of relocating a  
20           municipality's center for flood resiliency purposes, the areas eligible for  
21           designation benefits upon the Land Use Review Board's approval of the



1 regional plan future land use map for designation as a Center shall not include  
2 development that is disconnected from a Center and that lacks a pedestrian  
3 connection to the Center via a complete street.

4 (d) Approval. The LURB shall conduct its review pursuant to 10 V.S.A.  
5 § 6033

6 (e) Transition. All designated downtowns, village centers, or new town  
7 centers existing as of December 31, 2025 will retain current benefits until  
8 December 31, 2026 or until approval of the regional future land use maps by  
9 the LURB, whichever comes first. All existing designations in effect  
10 December 31, 2025 will expire December 31, 2026 if the regional plan does  
11 not receive Land Use Review Board approval under this chapter. All benefits  
12 for unexpired designated downtowns, village centers, and new town centers  
13 that are removed under this chapter shall remain in effect until July 1, 2034.  
14 Prior to June 30, 2026, no check-in or renewals shall be required for the  
15 preexisting designations. New applications for downtowns, villages, and new  
16 town centers may be approved by the State Board prior to the first public  
17 hearing on the a regional future land use map or until December 31, 2025,  
18 whichever comes first.

19 (f) Benefits Steps. A center may receive the benefits associated with the  
20 steps in this section by meeting the established requirements. The Department  
21 shall review applications from municipalities to advance from Step One to

1 Two and from Step Two to Three and issue written decisions. The Department  
2 shall issue a written administrative decision within 30 days following an  
3 application. If a municipal application is rejected by the Department, the  
4 municipality may appeal the administrative decision to the State Board. To  
5 maintain a downtown approved under chapter 76A after December 31, 2026,  
6 the municipality shall apply for renewal following a regional planning  
7 approval by the LURB and meet the program requirements. Step Three  
8 designations that are not approved for renewal revert to Step Two. The  
9 municipality may appeal the administrative decision of the Department to the  
10 State Board. Appeals of administrative decisions shall be heard by the State  
11 Board at the next meeting following a timely filing stating the reasons for the  
12 appeal. The State Board’s decision is final. The Department shall issue  
13 guidance to administer these steps.

14 (1) Step One.

15 (A) Requirements. Step One is established to create an accessible  
16 designation for all villages throughout the State to become eligible for funding  
17 and technical assistance to support site-based improvements and planning. All  
18 downtown and village centers shall automatically reach Step One upon  
19 approval of the regional plan future land use map by the Land Use Review  
20 Board. Regional plan future land use maps supersede preexisting designated  
21 areas that may already meet the Step One requirement.

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

3                   (i) funding and technical assistance eligibility for site-based  
4           projects, including the Better Places Grant Program under section 5810 of this  
5           chapter, access to the Downtown and Village Center Tax Credit Program  
6           described in 32 V.S.A. § 5930aa et seq., and other programs identified in the  
7           Department’s guidance; and

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

10           (2) Step Two.

11                   (A) Requirements. Step Two is established to create a mid-level  
12           designation for villages throughout the State to increase planning and  
13           implementation capacity for community-scale projects. A center reaches Step  
14           Two if it:

15                   (i) meets the requirements of Step One or if it has a designated  
16           village center or new town center under chapter 76A of this title upon initial  
17           approval of the regional plan future land use map and prior to December 31,  
18           2026;

19                   (ii) has a confirmed municipal planning process pursuant to 24  
20           V.S.A. § 4350;

1                   (iii) has a municipal plan with goals for investment in the center;

2                   and

3                   (iv) A portion of the center is listed or eligible for listing in the  
4                   National Register of Historic Places;

5                   (B) Benefits. In addition to the benefits of Step One, a center that  
6                   reaches Step Two is eligible for the following benefits:

7                   (i) funding priority for bylaws and special-purpose plans, capital  
8                   plans, and area improvement or reinvestment plans, including priority  
9                   consideration for the Better Connections Program and other applicable  
10                  programs identified by Department guidance;

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

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

16                  (iv) priority consideration for State and federal affordable housing  
17                  funding;

18                  (v) authority for the municipal legislative body to establish speed  
19                  limits to less than 25 mph within the center under 23 V.S.A. § 1007(g);

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

1                    (vii) exemption from the land gains tax under 32 V.S.A.  
2                    § 10002(p); and

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

5                    (3) Step Three.

6                    (A) Requirements. Step Three is established to create an advanced  
7                    designation for downtowns throughout the State to create mixed-use centers  
8                    and join the Vermont Downtown Program. A center reaches Step Three if the  
9                    Department finds that it meets the following requirements:

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

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

15                    (iii) Has a downtown improvement plan.

16                    (iv) Has a downtown investment agreement.

17                    (v) Has a capital program adopted under section 4430 of this title  
18                    that implements the Step Three requirements.

19                    (vi) Has a local downtown organization with an organizational  
20                    structure necessary to sustain a comprehensive long-term downtown  
21                    revitalization effort, including a local downtown organization that will

1 collaborate with municipal departments, local businesses, and local nonprofit  
2 organizations. The local downtown organization shall work to:

3 (I) enhance the physical appearance and livability of the area  
4 by implementing local policies that promote the use and rehabilitation of  
5 historic and existing buildings, by developing pedestrian-oriented design  
6 requirements, by encouraging new development and infill that satisfy such  
7 design requirements, and by supporting long-term planning that is consistent  
8 with the goals set forth in section 4302 of this title;

9 (II) build consensus and cooperation among the many groups  
10 and individuals who have a role in the planning, development, and  
11 revitalization process;

12 (III) market the assets of the area to customers, potential  
13 investors, new businesses, local citizens, and visitors;

14 (IV) strengthen, diversify, and increase the economic activity  
15 within the downtown; and

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

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

20 (viii) Has permanent zoning and subdivision bylaws.

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

7           (x) Has adopted design or form-based regulations that adequately  
8           regulate the physical form and scale of development with compact lot,  
9           building, and unit density, building heights, and complete streets.

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

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

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

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

18           (iv) Signage options pursuant to 10 V.S.A. § 494(13) and (17).

19           (v) **Housing** appeal limitations **as described in** chapter 117 of this  
20           title.

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

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

13                   § 5804. DESIGNATED NEIGHBORHOOD

14                   (a) Designation established.

15                   (1) A regional planning commission may request approval from the  
16                   Land Use Review Board for designation of areas on the regional plan future  
17                   land use maps as a designated neighborhood under 10 V.S.A. § 6033. Areas  
18                   eligible for designation include planned growth areas and village areas  
19                   identified on the regional plan future land use map. This designation  
20                   recognizes that the vitality of downtowns and villages is supported by adjacent  
21                   and walkable neighborhoods and that the benefits structure must ensure that



1 investments for sprawl repair or infill development within a neighborhood is  
2 secondary to a primary purpose to maintain the vitality, livability and  
3 maximize the climate resilience and infill potential of centers.

4 (2) Approval of planned growth areas and village areas as designated  
5 neighborhoods shall follow the same process as approval for designated  
6 centers provided for in 10 V.S.A. § 6033 and consistent with sections 4348 and  
7 4348a of this title.

8 (b) Transition. All designated growth center or neighborhood development  
9 areas existing as of December 31, 2025 will retain current benefits until  
10 December 31, 2026 or upon approval of the regional plan future land use maps,  
11 whichever comes first. All existing neighborhood development area and  
12 growth center designations in effect on December 31, 2025 will expire on  
13 December 31, 2026 if the regional plan future land use map is not approved.  
14 All benefits that are removed for unexpired neighborhood development areas  
15 and growth centers under this chapter shall remain active with prior  
16 designations existing as of December 31, 2025 until December 31, 2034. Prior  
17 to December 31, 2026, no check- ins or renewal shall be required for the  
18 existing designations. New applications for neighborhood development area  
19 designations may be approved by the State Board prior to the first hearing for a  
20 regional plan adoption or until December 31, 2025, whichever comes first.

1        (c) Requirements. A designated neighborhood shall meet the requirements  
2        for planned growth area or village area as described in section 4348a of this  
3        title.

4        (d) Benefits. A designated neighborhood is eligible for the following  
5        benefits:

6            (1) funding priority for bylaws and special-purpose plans, capital plans,  
7            and area improvement or reinvestment plans, including priority consideration  
8            for the Better Connections Program and other applicable programs identified  
9            by Department guidance;

10           (2) funding priority for Better Connections and other infrastructure  
11           project scoping, design, engineering, and construction by the State Community  
12           Investment Program and Board;

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

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

17           (5) certain housing appeal limitations under chapter 117 of this title;

18           (6) authority for the municipal legislative body to lower speed limits to  
19           less than 25 mph within the neighborhood;

20           (7) State wastewater application fee capped at \$50.00 for residential  
21           development under 3 V.S.A. § 2822(j)(4)(D);

1           (8) exclusion from the land gains tax provided by 32 V.S.A. § 10002(p);  
2           and  
3           (9) the authority to create a special taxing district pursuant to chapter 87  
4           of this title for the purpose of financing both capital and operating costs of a  
5           project within the boundaries of a center.

6           § 5805. GRANTS AND GIFTS

7           The Department of Housing and Community Development may accept  
8           small funds, grants, gifts, or donations from individuals, corporations,  
9           foundations, governmental entities, or other sources, on behalf of the  
10           Community Planning and Revitalization Division to support trainings,  
11           conferences, special projects and initiatives.

12           § 5806. DESIGNATION DATA CENTER

13           The Department in coordination with the Environmental Review Board,  
14           shall maintain an online municipal planning data center publishing approved  
15           regional plan future land use maps adoptions and amendments and indicating  
16           the status of each approved designation within the region, and associated steps  
17           for centers.

18           § 5807. MUNICIPAL TECHNICAL ASSISTANCE

19           (a) The Commissioner of Housing and Community Development, shall  
20           develop a recommendations for providing coordinating State agency technical

1 assistance to municipalities participating in the programs under this chapter to  
2 the General Assembly on or before December 31, 2025.

3 (b) The recommendations shall address effective procedures for inter-  
4 agency coordination to support of municipal community investment,  
5 revitalization and development including coordination for:

6 (1) general project advising;

7 (2) physical improvement planning design;

8 (3) policy-making; and

9 (4) project management.

10 (c) The recommendations shall support the implementation of State agency  
11 plans and the following strategic priorities for municipal and community  
12 investment, revitalization, and development assistance:

13 (1) housing development growth;

14 (2) climate resilience;

15 (3) public infrastructure investment;

16 (4) local administrative capacity;

17 (5) equity, diversity, and access;

18 (6) livability and social service; and

19 (7) historic preservation.

20 **§ 5808. BETTER PLACES PROGRAM; CROWD GRANTING**

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

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

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

10       (b) The Fund is composed of the following:

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

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

13           (3) any interest earned by the Fund.

14       (c) As used in this section, “public space” means an area or place that is  
15       open and accessible to all persons with no charge for admission and includes  
16       village greens, squares, parks, community centers, town halls, libraries, and  
17       other publicly accessible buildings and connecting spaces such as sidewalks,  
18       streets, alleys, and trails.

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

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

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

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

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

12           (A) A project shall include in-kind support and matching funds raised  
13          through a crowdfunding approach that includes multiple donors.

14           (B) An applicant may not donate to its own crowdfunding campaign.

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

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

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

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

9   \* \* \* Tax Credits \* \* \*

10          Sec. 53. 32 V.S.A. § 5930aa is amended to read:

11          § 5930aa. DEFINITIONS

12          As used in this subchapter:

13   \* \* \*

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

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

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

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

10 (C) to redevelop a contaminated property in a designated ~~downtown,~~  
11 ~~village center, or neighborhood development area~~ center or neighborhood  
12 under a plan approved by the Secretary of Natural Resources pursuant to  
13 10 V.S.A. § 6615a.

14 \* \* \*

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



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\* \* \*

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

Sec. 54. 32 V.S.A. § 5930aa(6) is amended to read:

(6) “Qualified Flood Mitigation Project” means any combination of structural and nonstructural changes to a qualified building ~~located within the flood hazard area as mapped by the Federal Emergency Management Agency~~ that reduces or eliminates flood damage to the building or its contents. This may include relocation of HVAC, electrical, plumbing, and other building systems, and equipment above the flood level; repairs or reinforcement of foundation walls, including flood gates; or elevation of an entire eligible building above the flood level. Further eligible projects may be defined via program guidance. The project shall comply with the municipality’s adopted flood hazard bylaw, if applicable, and a certificate of completion shall be submitted by a registered engineer, architect, qualified contractor, or qualified local official ~~to the State Board~~ program staff. Improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places shall be consistent with Secretary of the Interior’s Standards for Rehabilitation, as determined by the Vermont Division for Historic Preservation.

1 Sec. 55. 32 V.S.A. § 5930bb is amended to read:

2 § 5930bb. ELIGIBILITY AND ADMINISTRATION

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

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

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

10 ~~(d) Notwithstanding any other provision of this subchapter, qualified~~  
11 ~~applicants may apply to the State Board at any time prior to June 30, 2013, to~~  
12 ~~obtain a tax credit not otherwise available under subsections 5930cc(a)-(c) of~~  
13 ~~this title of 10 percent of qualified expenditures resulting from damage caused~~  
14 ~~by a federally declared disaster in Vermont in 2011. The credit shall only be~~  
15 ~~claimed against the taxpayer's State individual income tax under section 5822~~  
16 ~~of this title. To the extent that any allocated tax credit exceeds the taxpayer's~~  
17 ~~tax liability for the first tax year in which the qualified project is completed,~~  
18 ~~the taxpayer shall receive a refund equal to the unused portion of the tax credit.~~  
19 ~~If within two years after the date of the credit allocation no claim for a tax~~  
20 ~~credit or refund has been filed, the tax credit allocation shall be rescinded and~~  
21 ~~recaptured pursuant to subdivision 5930cc(6) of this title. The total amount of~~

1 ~~tax credits available under this subsection shall not be more than \$500,000.00~~  
2 ~~and shall not be subject to the limitations contained in subdivision 5930cc(2)~~  
3 ~~of this subchapter.~~

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

8 Sec. 56. 32 V.S.A. § 5930cc is amended to read:

9 § 5930cc. DOWNTOWN AND VILLAGE CENTER PROGRAM TAX

10 CREDITS

11 \* \* \*

12 (c) Code improvement tax credit. The qualified applicant of a qualified  
13 code improvement project shall be entitled, upon the approval of the State  
14 Board, to claim against the taxpayer's State individual income tax, State  
15 corporate income tax, or bank franchise or insurance premiums tax liability a  
16 credit of 50 percent of qualified expenditures up to a maximum tax credit of  
17 \$12,000.00 for installation or improvement of a platform lift, a maximum  
18 credit of \$60,000.00 for the installation or improvement of a limited use or  
19 limited application elevator, a maximum tax credit of \$75,000.00 for  
20 installation or improvement of an elevator, a maximum tax credit of  
21 \$50,000.00 for installation or improvement of a sprinkler system, and a

1 maximum tax credit of ~~\$50,000.00~~ \$100,000.00 for the combined costs of all  
2 other qualified code improvements.

3 (d) Flood Mitigation Tax Credit. The qualified applicant of a qualified  
4 flood mitigation project shall be entitled, upon the approval of the State Board,  
5 to claim against the taxpayer's State individual income tax, State corporate  
6 income tax, or bank franchise or insurance premiums tax liability a credit of  
7 50 percent of qualified expenditures up to a maximum tax credit of ~~\$75,000.00~~  
8 \$100,000.00.

9 \* \* \* Taxes \* \* \*

10 Sec. 57. 32 V.S.A. § 9602 is amended to read:

11 § 9602. TAX ON TRANSFER OF TITLE TO PROPERTY

12 A tax is hereby imposed upon the transfer by deed of title to property  
13 located in this State, or a transfer or acquisition of a controlling interest in any  
14 person with title to property in this State. The amount of the tax equals one  
15 and one-quarter percent of the value of the property transferred, or \$1.00,  
16 whichever is greater, except as follows:

17 (1) With respect to the transfer of property to be used for the principal  
18 residence of the transferee, the tax shall be imposed at the rate of five-tenths of  
19 one percent of the first \$100,000.00 in value of the property transferred and at  
20 the rate of one and one-quarter percent of the value of the property transferred  
21 in excess of \$100,000.00; except that no tax shall be imposed on the first



1 32 V.S.A. § 9602(a)(4), 50 percent of the revenue from ~~the property transfer~~  
2 ~~tax under 32 V.S.A. chapter 231~~ all other subdivisions of 32 V.S.A. § 9602(a),  
3 and any monies from time to time appropriated to the Fund by the General  
4 Assembly or received from any other source, private or public, approved by  
5 the Board. Unexpended balances and any earnings shall remain in the Fund  
6 for use in accord with the purposes of this chapter.

7 Sec. 59. 24 V.S.A. § 4306(a) is amended to read:

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

11 (2) The Fund shall be composed of 23.5 percent of the revenue collected  
12 under 32 V.S.A. § 9602(a)(4), 17 percent of the revenue from ~~the property~~  
13 ~~transfer tax under 32 V.S.A. chapter 231~~ all other subdivisions of 32 V.S.A.  
14 § 9602(a), and any monies from time to time appropriated to the Fund by the  
15 General Assembly or received from any other source, private or public. All  
16 balances at the end of any fiscal year shall be carried forward and remain in the  
17 Fund. Interest earned by the Fund shall be deposited in the Fund.

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

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

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

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

6 Sec. 60. 32 V.S.A. § 435(b) shall be amended to read:

7 (b) The General Fund shall be composed of revenues from the following  
8 sources:

9 (1) alcoholic beverage tax levied pursuant to 7 V.S.A. chapter 15;

10 (2) [Repealed.]

11 (3) [Repealed.]

12 (4) corporate income and franchise taxes levied pursuant to chapter 151  
13 of this title;

14 (5) individual income taxes levied pursuant to chapter 151 of this title;

15 (6) all corporation taxes levied pursuant to chapter 211 of this title;

16 (7) 69 percent of the meals and rooms taxes levied pursuant to chapter  
17 225 of this title;

18 (8) [Repealed.]

19 (9) [Repealed.]

20 (10) 16.5 percent of the revenue collected under subdivision 9602(a)(4)  
21 of this title, 33 percent of the revenue from ~~the property transfer taxes levied~~

1 ~~pursuant to chapter 231 of this title~~ all other subdivisions of 9602(a) of this  
2 title, and the revenue from the gains taxes levied each year pursuant to chapter  
3 236 of this title; and

4 (11) [Repealed.]

5 (12) all other revenues accruing to the State not otherwise required by  
6 law to be deposited in any other designated fund or used for any other  
7 designated purpose.

8 Sec. 61. 32 V.S.A. § 9610 is amended to read:

9 § 9610. REMITTANCE OF RETURN AND TAX; INSPECTION OF

10 RETURNS

11 \* \* \*

12 (c) Prior to distributions of property transfer tax revenues under 10 V.S.A.  
13 § 312, 24 V.S.A. § 4306(a), and subdivision 435(b)(10) of this title, two  
14 percent of the revenues received from the property transfer tax shall be  
15 deposited in a special fund in the Department of Taxes for Property Valuation  
16 and Review administration costs.

17 (d)(1) Prior to any distribution of property transfer tax revenue under 10  
18 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and  
19 ~~subsection~~ subsections (c) and (e) of this section, \$2,500,000.00 of the revenue  
20 received from the property transfer tax shall be transferred to the Vermont  
21 Housing Finance Agency to pay the principal of and interest due on the bonds,



1 notes, and other obligations authorized to be issued by the Agency pursuant to  
2 10 V.S.A. § 621(22), the proceeds of which the Vermont Housing and  
3 Conservation Board shall use to create affordable housing pursuant to 10  
4 V.S.A. § 314.

5 (2) As long as the bonds, notes, and other obligations incurred pursuant  
6 to subdivision (1) of this subsection remain outstanding, the rate of tax  
7 imposed pursuant to section 9602 of this title shall not be reduced below a rate  
8 estimated, at the time of any reduction, to generate annual revenues of at least  
9 \$12,000,000.00.

10 (e) Prior to any distribution of property transfer tax revenue under 10  
11 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and  
12 subsection (c) of this section, \$2,000,000.00 of the revenue received from the  
13 property transfer tax shall be transferred to the Act 250 Permit Fund  
14 established under 10 V.S.A. § 6029. Prior to a transfer under this subsection,  
15 the Commissioner shall adjust the amount transferred according to the percent  
16 change in the Bureau of Labor Statistics Consumer Price Index for All Urban  
17 Consumers (CPI-U) by determining the increase or decrease, to the nearest  
18 one-tenth of a percent, for the month ending on June 30 in the calendar year  
19 one year prior to the first day of the fiscal year for which the transfer will be  
20 made compared to the CPI-U for the month ending on June 30 in the calendar

1 year two years prior to the first day of the fiscal year for which the transfer will  
2 be made.

3 Sec. 62. 10 V.S.A. § 6029 is amended to read:

4 § 6029. ACT 250 PERMIT FUND

5 There is hereby established a special fund to be known as the Act 250  
6 Permit Fund for the purposes of implementing the provisions of this chapter.  
7 ~~Revenues to the fund~~ The Fund shall be composed of the revenue deposited  
8 pursuant to 32 V.S.A. § 9610(e), those fees collected in accordance with  
9 section 6083a of this title, gifts, appropriations, and copying and distribution  
10 fees. The Board shall be responsible for the Fund and shall account for  
11 revenues and expenditures of the Board. At the Commissioner's discretion, the  
12 Commissioner of Finance and Management may anticipate amounts to be  
13 collected and may issue warrants based thereon for the purposes of this section.  
14 Disbursements from the Fund shall be made through the annual appropriations  
15 process to the Board and to the Agency of Natural Resources to support those  
16 programs within the Agency that directly or indirectly assist in the review of  
17 Act 250 applications. This Fund shall be administered as provided in 32  
18 V.S.A. chapter 7, subchapter 5.

19 Sec. 63. 32 V.S.A. § 3800(q) is added to read:

1       (q) The statutory purpose of the exemption under 32 V.S.A. chapter 125,  
2       subchapter 3 for new construction or rehabilitation is to lower the cost of new  
3       construction or rehabilitation of residential properties in this State.

4       Sec. 64. 32 V.S.A. chapter 125, subchapter 3 is added to read:

5               Subchapter 3. New Construction or Rehabilitation Exemption

6       § 3870. DEFINITIONS

7               As used in this subchapter:

8               (1) “Agency” means the Agency of Commerce and Community  
9       Development as established under 3 V.S.A. § 2402.

10              (2) “Appraisal value” has the same meaning as in subdivision  
11       3481(1)(A) of this title.

12              (3) “Exemption period” has the same meaning as in subsection 3871(d)  
13       of this subchapter.

14              (4) “New construction” means the building of new dwellings.

15              (5) “Principal residence” means the dwelling occupied by a resident  
16       individual as the individual’s domicile during the taxable year and for a  
17       property owner, owned, or for a renter, rented under a rental agreement other  
18       than a short-term rental as defined under 18 V.S.A. § 4301(a)(14).

19              (6)(A) “Qualifying improvement” means new construction or a physical  
20       change to an existing dwelling or other structure beyond normal and ordinary  
21       maintenance, painting, repairs, or replacements, provided the change:

1           (i) results in new or rehabilitated dwellings that are designed to be  
2           occupied as principal residences and not as short-term rentals as defined under  
3           18 V.S.A. § 4301(a)(14); and

4           (ii) occurred through new construction or rehabilitation, or both,  
5           during the 12 months immediately preceding or immediately following  
6           submission of an exemption application under this subchapter.

7           (B) “Qualifying improvement” does not mean new construction or a  
8           physical change to any portion of a mixed-use building as defined under  
9           10 V.S.A. § 6001(28) that is not used as a principal residence.

10           (7)(A) “Qualifying property” means a structure that is:

11           (i) located within a designated downtown district, village center,  
12           or neighborhood development area determined pursuant to 24 V.S.A. chapter  
13           76A or a new market tax credit area determined pursuant to 26 U.S.C. § 45D,  
14           or both;

15           (ii) composed of one or more dwellings designed to be occupied  
16           as principal residences, provided:

17           (I) none of the dwellings shall be occupied as short-term rentals  
18           as defined under 18 V.S.A. § 4301(a)(14) before the exemption period ends;  
19           and

1                    (II) a structure with more than one dwelling shall only qualify  
2 if it meets the definition of mixed-income housing under 10 V.S.A.

3 § 6001(27);

4                    (iii) undergoing, has undergone, or will undergo qualifying  
5 improvements; and

6                    (iv) in compliance with all relevant permitting requirements.

7                    (B) “Qualifying property” may have a mixed use as defined under  
8 10 V.S.A. § 6001(28).

9                    (C) “Qualifying property” does not mean property located within a  
10 tax increment financing district established under 24 V.S.A. chapter 53,  
11 subchapter 5.

12                    (8) “Rehabilitation” means extensive repair, reconstruction, or  
13 renovation of an existing dwelling or other structure, with or without  
14 demolition, new construction, or enlargement, provided the repair,  
15 reconstruction, or renovation:

16                    (A) is for the purpose of eliminating substandard structural, housing,  
17 or unsanitary conditions or stopping significant deterioration of the existing  
18 structure; and

19                    (B) equals or exceeds a total cost of 15 percent of the grand list value  
20 prior to repair, reconstruction, or renovation or \$75,000.00, whichever is less.

1           (9) “Taxable value” means the value of qualifying property that is taxed  
2           during the exemption period.

3           § 3871. EXEMPTION

4           (a) Value increase exemption. An increase in the appraisal value of a  
5           qualifying property due to qualifying improvements shall be exempted from  
6           property taxation pursuant to this subchapter by fixing and maintaining the  
7           taxable value of the qualifying property at the property’s grand list value in the  
8           year immediately preceding any qualifying improvements. A decrease in  
9           appraisal value of a qualifying property due to damage or destruction from fire  
10           or act of nature may reduce the qualifying property’s taxable value below the  
11           value fixed under this subsection.

12           (b) State education property tax exemption. The appraisal value of  
13           qualifying improvements to qualifying property shall be exempt from the State  
14           education property tax imposed under chapter 135 of this title as provided  
15           under this subchapter. The appraisal value exempt under this subsection shall  
16           not be exempt from municipal property taxation unless the qualifying property  
17           is located in a municipality that has voted to approve an exemption under  
18           subsection (c) of this section.

19           (c) Municipal property tax exemption. If the legislative body of a  
20           municipality by a majority vote recommends, the voters of a municipality may,  
21           at an annual or special meeting warned for that purpose, adopt by a majority

1 vote of those present and voting an exemption from municipal property tax for  
2 the value of qualifying improvements to qualifying property exempt from State  
3 property taxation under subsection (b) of this section. The municipal  
4 exemption shall remain in effect until rescinded in the same manner the  
5 exemption was adopted. Not later than 30 days after the adjournment of a  
6 meeting at which a municipal exemption is adopted or rescinded under this  
7 subsection, the town clerk shall report to the Director of Property Valuation  
8 and Review and the Agency the date on which the exemption was adopted or  
9 rescinded.

10 (d) Exemption period.

11 (1) An exemption under this subchapter shall start in the first property  
12 tax year immediately following the year in which an application for exemption  
13 under section 3872 of this title is approved and one of the following occurs:

14 (A) issuance of a certificate of occupancy by the municipal governing  
15 body for the qualifying property; or

16 (B) the property owner's declaration of ownership of the qualifying  
17 property as a homestead pursuant to section 5410 of this title.

18 (2) An exemption under this subchapter shall remain in effect for two  
19 years, provided the property continues to comply with the requirements of this  
20 subchapter. When the exemption period ends, the property shall be taxed at its  
21 most recently appraised grand list value.

1           (3) The municipal exemption period for a qualifying property shall start  
2           and end at the same time as the State exemption period; provided that, if a  
3           municipality first votes to approve a municipal exemption after the State  
4           exemption period has already started for a qualifying property, the municipal  
5           exemption shall only apply after the vote and notice requirements have been  
6           met under subsection (c) of this section and shall only continue until the State  
7           exemption period ends.

8           § 3872. ADMINISTRATION AND CERTIFICATION

9           (a) To be eligible for exemption under this subchapter, a property owner  
10           shall:

11           (1) submit an application to the Agency of Commerce and Community  
12           Development in the form and manner determined by the Agency, including  
13           certification by the property owner that the property and improvements qualify  
14           for exemption at the time of application and annually thereafter until the  
15           exemption period ends; and

16           (2) the certification shall include an attestation under the pains and  
17           penalties of perjury that the property will be used in the manner provided under  
18           this subchapter during the exemption period, including occupancy of dwellings  
19           as principal residences and not as short-term rentals as defined under 18 V.S.A.  
20           § 4301(a)(14), and that the property owner will either provide alternative  
21           housing for tenants at the same rent or that the property has been unoccupied



1 either by a tenant's choice or for 60 days prior to the application. A

2 certification by the property owner granted under this subdivision shall:

3 (A) be coextensive with the exemption period;

4 (B) require notice to the Agency of the transfer or assignment of the  
5 property prior to transfer, which shall include the transferee's or assignee's full  
6 names, phone numbers, and e-mail and mailing addresses;

7 (C) require notice to any prospective transferees or assignees of the  
8 property of the requirements of the exemption under this subchapter; and

9 (D) require a new certification to be signed by the transferees or  
10 assignees of the property.

11 (b) The Agency shall establish and make available application forms and  
12 procedures necessary to verify initial and ongoing eligibility for exemption  
13 under this subchapter. Not later than 60 days after receipt of a completed  
14 application, the Agency shall determine whether the property and any proposed  
15 improvements qualify for exemption and shall issue a written decision  
16 approving or denying the exemption. The Agency shall notify the property  
17 owner, the municipality where the property is located, and the Commissioner  
18 of Taxes of its decision.

19 (c) If the property owner fails to use the property according to the terms of  
20 the certification, the Agency shall, after notifying the property owner,  
21 determine whether to revoke the exemption. If the exemption is revoked, the

1 Agency shall notify the property owner, the municipality where the property is  
2 located, and the Commissioner of Taxes. Upon notification of revocation, the  
3 Commissioner shall assess to the property owner:

4 (1) all State and municipal property taxes as though no exemption had  
5 been approved, including for any exemption period that had already begun;  
6 and

7 (2) interest pursuant to section 3202 of this title on previously exempt  
8 taxes.

9 (d) No new applications for exemption shall be approved pursuant to this  
10 subchapter after December 31, 2027.

11 Sec. 65. 32 V.S.A. § 4152(a) is amended to read:

12 (a) When completed, the grand list of a town shall be in such form as the  
13 Director prescribes and shall contain such information as the Director  
14 prescribes, including:

15 \* \* \*

16 (6) For those parcels that are exempt, the insurance replacement value  
17 reported to the local assessing officials by the owner under section 3802a of  
18 this title or what the full listed value of the property would be absent the  
19 exemption and the statutory authority for granting such exemption and, for  
20 properties exempt pursuant to a vote, the year in which the exemption became  
21 effective and the year in which the exemption ends; provided that, for parcels

1 exempt under chapter 125, subchapter 3 of this title, the insurance replacement  
2 value shall not be substituted for the full listed value of the property absent the  
3 exemption and the grand list shall indicate whether the exemption applies to  
4 the State property tax or both the State and municipal property taxes.

5 \* \* \*

6 Sec. 66. REPEALS; NEW CONSTRUCTION OR REHABILITATION  
7 EXEMPTION

8 The following are repealed on July 1, 2037:

9 (1) 32 V.S.A. § 3800(q) (statutory purpose); and

10 (2) 32 V.S.A. chapter 125, subchapter 3 (new construction or  
11 rehabilitation exemption).

12 Sec. 67. 32 V.S.A. § 4152(a) is amended to read:

13 (a) When completed, the grand list of a town shall be in such form as the  
14 Director prescribes and shall contain such information as the Director  
15 prescribes, including:

16 \* \* \*

17 (6) For those parcels that are exempt, the insurance replacement value  
18 reported to the local assessing officials by the owner under section 3802a of  
19 this title or what the full listed value of the property would be absent the  
20 exemption and the statutory authority for granting such exemption and, for  
21 properties exempt pursuant to a vote, the year in which the exemption became

1 effective and the year in which the exemption ends; ~~provided that, for parcels~~  
2 ~~exempt under chapter 125, subchapter 3 of this title, the insurance replacement~~  
3 ~~value shall not be substituted for the full listed value of the property absent the~~  
4 ~~exemption and the grand list shall indicate whether the exemption applies to~~  
5 ~~the State property tax or both the State and municipal property taxes.~~

6 Sec. 68. 32 V.S.A. § 9603 is amended to read:

7 § 9603. EXEMPTIONS

8 The following transfers are exempt from the tax imposed by this chapter:

9 \* \* \*

10 (27)(A) Transfers of blighted dwellings that the transferee certifies will  
11 be rehabilitated for occupancy as principal residences and not as short-term  
12 rentals as defined under 18 V.S.A. § 4301(a)(14), provided the rehabilitation is  
13 completed and occupied not later than three years after the date of the transfer.  
14 If, three years after the date of transfer, the rehabilitation has not been  
15 completed and occupied, then the tax imposed by this chapter shall become  
16 due.

17 (B) As used in this subdivision (27):

18 (i) “Blighted” means substandard structural or housing conditions,  
19 including unsanitary and unsafe dwellings and deterioration sufficient to  
20 constitute a threat to human health, safety, and public welfare.



1 ~~chapter 151, which exceeds the deductibility limits for premiums paid during~~  
2 ~~the taxable year on qualified long-term care insurance contracts under 26~~  
3 ~~U.S.C. 213(d)(10)(A).~~

4 \* \* \* Housing Programs \* \* \*

5 Sec. 70. 10 V.S.A. § 699 is amended to read:

6 § 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

7 (a) Creation of Program.

8 (1) The Department of Housing and Community Development shall  
9 design and implement the Vermont Rental Housing Improvement Program,  
10 through which the Department shall award funding to statewide or regional  
11 nonprofit housing organizations, or both, to provide competitive ~~grants and~~  
12 forgivable loans to private landlords for the rehabilitation, including  
13 weatherization and accessibility improvements, of eligible rental housing units.

14 (2) The Department shall develop statewide standards for the Program,  
15 including factors that partner organizations shall use to evaluate applications  
16 and award ~~grants and~~ forgivable loans.

17 (3) A landlord shall not offer a unit created through the Program as a  
18 short-term rental, as defined in 18 V.S.A. § 4301, for the period a grant or loan  
19 agreement is in effect.









1           (1) Developer subsidy. The Agency may provide a direct subsidy to the  
2 developer, which shall not exceed the difference between the cost of  
3 development and the market value of the home as completed.

4           (2) Affordability subsidy. Of any remaining amounts available for the  
5 project after the developer subsidy, the Agency may provide a subsidy for the  
6 benefit of the homebuyer to reduce the cost of purchasing the home, provided  
7 that:

8           (A) the Agency includes conditions in the subsidy, agreement or uses  
9 another legal mechanism, to ensure that, ~~to the extent the home value has risen,~~  
10 ~~the amount of the subsidy~~ upon sale of the home, to the extent proceeds are  
11 available, the amount of the affordability subsidy either:

12           (i) remains with the home to offset the cost to future homebuyers;  
13 or

14           (ii) is recaptured by the Agency upon sale of the home for use in a  
15 similar program to support affordable homeownership development; or

16           (B) the subsidy is subject to a housing subsidy covenant, as defined  
17 in 27 V.S.A. § 610, that preserves the affordability of the home for a period of  
18 99 years or longer.

19           (3) The Agency shall allocate not less than 33 percent of the funds  
20 available through the Program to projects that include a housing subsidy  
21 covenant consistent with subdivision (2)(B) of this subsection.

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\* \* \*

(f)(1) When implementing the Program, the Agency shall consult stakeholders and experts in the field.

(2) The Program shall include:

(A) a streamlined and appropriately scaled application process;

(B) an outreach and education plan, including specific tactics to reach and support eligible applicants, especially those from underserved regions or sectors;

(C) an equitable system for distributing investments statewide on the basis of need according to a system of priorities that includes consideration of:

(i) geographic distribution;

(ii) community size;

(iii) community economic need; and

(iv) whether an application has already received an investment or is from an applicant in a community that has already received Program funding.

~~(3) The Agency shall use its best efforts to ensure:~~

~~(A) that investments awarded are targeted to the geographic communities or regions with the most pressing economic and employment needs; and~~



1 experiencing homelessness, recovery residences, and housing available to farm  
2 workers and refugees; and

3 (2) to fund the construction and preservation of emergency shelter for  
4 households experiencing homelessness.

5 Sec. 77. APPROPRIATION; RENTAL HOUSING STABILIZATION

6 SERVICES

7 The sum of \$400,000.00 is appropriated from the General Fund to the  
8 Office of Economic Opportunity within the Department for Children and  
9 Families in fiscal year 2025 for a grant to the Champlain Valley Office of  
10 Economic Opportunity for the Rental Housing Stabilization Services Program  
11 established by 2023 Acts and Resolves No. 47, Sec. 43.

12 Sec. 78. APPROPRIATION; TENANT REPRESENTATION PILOT

13 PROGRAM

14 The sum of \$1,025,000.00 is appropriated from the General Fund to the  
15 Agency of Human Services in fiscal year 2025 for a grant to Vermont Legal  
16 Aid for the Tenant Representation Pilot Program established by 2023 Acts and  
17 Resolves No. 47, Sec. 44.

18 Sec. 79. APPROPRIATION; RENT ARREARS ASSISTANCE FUND

19 The sum of \$2,500,000.00 is appropriated from the General Fund to the  
20 Vermont State Housing Authority in fiscal year 2025 for the Rent Arrears  
21 Assistance Fund established by 2023 Acts and Resolves No. 47, Sec. 45.

1       Sec. 80. APPROPRIATION; LANDLORD RELIEF PROGRAM

2           The sum of \$1,100,000.00 is appropriated from the General Fund to the  
3           Vermont State Housing Authority in fiscal year 2025 for the Landlord Relief  
4           Program to assist landlords eligible to access relief due to participation in the  
5           Section 8 project-based voucher program.

6       Sec. 81. APPROPRIATION; FIRST GENERATION HOMEBUYER  
7           PROGRAM

8           The sum of \$1,000,000.00 is appropriated from the General Fund to the  
9           Department of Housing and Community Development in fiscal year 2025 for a  
10          grant to the Vermont Housing Finance Agency for the First-Generation  
11          Homebuyer Program established by 2022 Acts and Resolves No. 182, Sec. 2,  
12          and amended from time to time.

13                   \* \* \* Rental Data Collection and Protection \* \* \*

14       Sec. 82. 32 V.S.A. § 6069 is amended to read:

15       § 6069. LANDLORD CERTIFICATE

16           (a) On or before January 31 of each year, the owner of land rented as a  
17           portion of a homestead in the prior calendar year shall furnish a certificate of  
18           rent to the Department of Taxes and to each claimant who owned a portion of  
19           the homestead and rented that land as a portion of a homestead in the prior  
20           calendar year. The certificate shall indicate the proportion of total property tax

1 on that parcel that was assessed for municipal property tax and for statewide  
2 property tax.

3 (b) The owner of each rental property shall, on or before January 31 of each  
4 year, furnish a certificate of rent to the Department of Taxes.

5 (c) A certificate under this section shall be in a form prescribed by the  
6 Commissioner and shall include the following:

7 (1) the name of the renter;

8 (2) the address and any property tax parcel identification number of the  
9 homestead, ~~the information required under subsection (f) of this section;~~

10 (3) the name of the owner or landlord of the rental unit;

11 (4) the phone number, e-mail address, and mailing address of the  
12 landlord, as available;

13 (5) the location of the rental unit;

14 (6) the type of rental unit;

15 (7) the number of rental units in the building;

16 (8) the gross monthly rent per unit;

17 (9) the year in which the rental unit was built;

18 (10) the ADA accessibility of the rental unit; and

19 (11) any additional information that the Commissioner determines is  
20 appropriate.

1 (d) An owner who knowingly fails to furnish a certificate to the  
2 Department as required by this section shall be liable to the Commissioner for  
3 a penalty of \$200.00 for each failure to act. Penalties under this subsection  
4 shall be assessed and collected in the manner provided in chapter 151 of this  
5 title for the assessment and collection of the income tax.

6 (e) [Repealed.]

7 (f) ~~Annually on or before October 31, the Department shall prepare and~~  
8 ~~make available to a member of the public upon request a database in the form~~  
9 ~~of a sortable spreadsheet that contains the following information for each rental~~  
10 ~~unit for which the Department received a certificate pursuant to this section:~~

11 ~~(1) name of owner or landlord;~~

12 ~~(2) mailing address of landlord;~~

13 ~~(3) location of rental unit;~~

14 ~~(4) type of rental unit;~~

15 ~~(5) number of units in building; and~~

16 ~~(6) School Property Account Number.~~ Annually on or before December  
17 15, the Department shall submit a report on the aggregated data collected under  
18 this section to the Senate Committee on Economic Development, Housing and  
19 General Affairs and the House Committee on General and Housing.

20 Sec. 83. 32 V.S.A. § 3102 is amended to read:

21 § 3102. CONFIDENTIALITY OF TAX RECORDS



1 (a) No present or former officer, employee, or agent of the Department of  
2 Taxes shall disclose any return or return information to any person who is not  
3 an officer, employee, or agent of the Department of Taxes except in  
4 accordance with the provisions of this section. A person who violates this  
5 section shall be fined not more than \$1,000.00 or imprisoned for not more than  
6 one year, or both; and if the offender is an officer or employee of this State, the  
7 offender shall, in addition, be dismissed from office and be incapable of  
8 holding any public office for a period of five years thereafter.

9 (b) The following definitions shall apply for purposes of this chapter:

10 \* \* \*

11 (3) "Return information" includes a person's name, address, date of  
12 birth, Social Security or federal identification number or any other identifying  
13 number; information as to whether or not a return was filed or required to be  
14 filed; the nature, source, or amount of a person's income, payments, receipts,  
15 deductions, exemptions, credits, assets, liabilities, net worth, tax liabilities, tax  
16 payments, deficiencies, or over-assessments; and any other data, from any  
17 source, furnished to or prepared or collected by the Department of Taxes with  
18 respect to any person.

19 \* \* \*

20 (d) The Commissioner shall disclose a return or return information:

21 \* \* \*

1 (7) to the Joint Fiscal Office pursuant to subsection 10503(e) of this title  
2 and subject to the conditions and limitations specified in that subsection; ~~and~~

3 (8) to the Attorney General; the Data Clearinghouse established in the  
4 October 2017 Non-Participating Manufacturer Adjustment Settlement  
5 Agreement, which the State of Vermont joined in 2018; the National  
6 Association of Attorneys General; and counsel for the parties to the Agreement  
7 as required by the Agreement and to the extent necessary to comply with the  
8 Agreement and only as long as the State is a party to the Agreement; and

9 (9) annually on or before March 31, provided the disclosure relates to  
10 the information collected on the landlord certificate pursuant to subsection  
11 6069(c) of this title, to:

12 (A) the Division of Vermont Emergency Management at the  
13 Department of Public Safety for the purpose of emergency management and  
14 communication; and

15 (B) the Department of Housing and Community Development and  
16 any organization then under contract with the Department of Housing and  
17 Community Development to carry out a statewide housing needs assessment  
18 for the purpose of the statewide housing needs assessment.

19 \* \* \* Short-Term Rentals \* \* \*

20 Sec. 84. 20 V.S.A. § 2676 is amended to read:

21 § 2676. DEFINITION

1 As used in this chapter;

2 (1) ~~“rental~~ Rental housing” means:

3 ~~(1)(A)~~ a “premises” as defined in 9 V.S.A. § 4451 that is subject to 9  
4 V.S.A. chapter 137 (residential rental agreements); and

5 ~~(2)(B)~~ a “short-term rental” as defined in 18 V.S.A. § 4301 and  
6 subject to 18 V.S.A. chapter 85, subchapter 7.

7 (2) “Short-term rental” has the same meaning as in 18 V.S.A. § 4301.

8 Sec. 85. 20 V.S.A. § 2678 is added to read:

9 § 2678. SHORT-TERM RENTALS; HEALTH AND SAFETY

10 DISCLOSURE

11 (a) The Department of Public Safety’s Division of Fire Safety shall prepare  
12 concise guidance on the rules governing health, safety, sanitation, and fitness  
13 for habitation of short-term rentals in this State and provide the guidance to  
14 any online platform or travel agent hosting or facilitating the offering of a  
15 short-term rental in this State.

16 (b) Any online platform or travel agent hosting or facilitating the offering  
17 of a short-term rental in this State shall make available the guidance under  
18 subsection (a) of this section to a short-term rental operator in this State.

19 (c) A short-term rental operator shall:

20 (1) physically post the guidance under subsection (a) of this section in a  
21 conspicuous place in any short-term rental offered for rent in this State; and





1 area according to the flood insurance rate map effective for the mobile home  
2 park at the time the proposed lease is furnished to a prospective leaseholder.  
3 This notice shall be provided in a clear and conspicuous manner in a separate  
4 written document attached as an addendum to the proposed lease.

5 Sec. 89. 10 V.S.A. § 6201 is amended to read:

6 § 6201. DEFINITIONS

7 As used in this chapter, ~~unless the context requires otherwise:~~

8 \* \* \*

9 (13) “Flood hazard area” has the same meaning as in section 752 of this  
10 title.

11 (14) “Flood insurance rate map” means, for any mobile home park, the  
12 official flood insurance rate map describing that park published by the Federal  
13 Emergency Management Agency on its website.

14 \* \* \* Mobile Homes \* \* \*

15 Sec. 90. 2022 Acts and Resolves No. 182, Sec. 3, as amended by 2023 Acts  
16 and Resolves No. 3, Sec. 75 and 2023 Acts and Resolves No. 78, Sec. C.119,  
17 is further amended to read:

18 Sec. 3. MANUFACTURED HOME IMPROVEMENT AND  
19 REPLACEMENT PROGRAM



1           (2) to expand the Home Repair Awards program under the  
2           Manufactured Home Improvement and Repair Program established by 2022  
3           Acts and Resolves No. 182, Sec. 3, and amended from time to time.

4           Sec. 92. MOBILE HOME TECHNICAL ASSISTANCE APPROPRIATION

5           (a) The sum of \$700,000.00 is appropriated from the General Fund to the  
6           Department of Housing and Community Development for a subgrant to the  
7           Champlain Valley Office of Economic Opportunity in fiscal year 2025 to fund  
8           the Mobile Home Park Technical Assistance Services Team, including  
9           administration and direct project administration costs, such as advertising,  
10           background check fees, office supplies, postage, staff mileage liability  
11           insurance, training, service contracts, rent, utilities, telephone, space  
12           maintenance, and staffing.

13           (b) The sum of \$300,000.00 is appropriated from the General Fund to the  
14           Department of Housing and Community Development for a subgrant to the  
15           Champlain Valley Office of Economic Opportunity in fiscal year 2025 to fund  
16           individual resident emergency grants accessible to all income-eligible mobile  
17           homeowners statewide to prevent loss of housing, remediate unsafe housing,  
18           enhance housing safety, health, and habitability issues, and provide relief from  
19           the impacts of natural disaster.





1           (2) the price, terms, and conditions under which the owner offers the  
2           age-restricted property for sale;

3           (3) that for 60 days following the notice, the owner shall not make a  
4           final unconditional acceptance of an offer to purchase the age-restricted  
5           property and that if within the 60 days the owner receives notice pursuant to  
6           subsection (d) of this section that the Board or its assignee intends to consider  
7           purchase of the age-restricted property, the owner shall not make a final  
8           unconditional acceptance of an offer to purchase the age-restricted property for  
9           an additional 120 days, starting from the 61st day following notice, except one  
10          from the Board or its assignee.

11          (d) Intent to negotiate; timetable. The Board or its assignee shall have 60  
12          days following notice under subsection (c) of this section in which to  
13          determine whether the buyer intends to consider purchase of the age-restricted  
14          property. During this 60-day period, the owner shall not accept a final  
15          unconditional offer to purchase the age-restricted property.

16          (e) Response to notice; required action. If the owner receives no notice  
17          from the Board or its assignee during the 60-day period or if the Board notifies  
18          the owner that neither it nor its designee intends to consider purchase of the  
19          age-restricted property, the owner has no further restrictions regarding sale of  
20          the age-restricted property pursuant to this section. If, during the 60-day  
21          period, the owner receives notice in writing that the Board or its assignee

1 intends to consider purchase of the age-restricted property, then the owner  
2 shall do all the following:

3 (1) not accept a final unconditional offer to purchase from a party other  
4 than the Board or its assignee giving notice under subsection (d) of this section  
5 for 120 days following the 60-day period, a total of 180 days following the  
6 notice under subsection (c);

7 (2) negotiate in good faith with the Board or its assignee giving notice  
8 under subsection (d) of this section; and

9 (3) consider any offer to purchase from the Board or its assignee giving  
10 notice under subsection (d) of this section.

11 (f) Exceptions. The provisions of this section do not apply when the sale,  
12 transfer, or conveyance of the age-restricted property is any one or more of the  
13 following:

14 (1) through a foreclosure sale;

15 (2) to a member of the owner's family or to a trust for the sole benefit of  
16 members of the owner's family;

17 (3) among the partners who own the age-restricted property;

18 (4) incidental to financing the age-restricted property;

19 (5) between joint tenants or tenants in common;

20 (6) pursuant to eminent domain; or

21 (7) pursuant to a municipal tax sale.

1           (g) Requirement for new notice of intent to sell.

2           (1) Subject to subdivision (2) of this subsection, a notice of intent to sell  
3 issued pursuant to subsection (b) of this section shall be valid:

4           (A) for a period of one year from the expiration of the 60-day period  
5 following the date of the notice; or

6           (B) if the owner has entered into a binding purchase and sale  
7 agreement with the Board or its assignee within one year from the expiration of  
8 the 60-day period following the date of the notice, until the completion of the  
9 sale of the age-restricted property under the agreement or the expiration of the  
10 agreement, whichever is sooner.

11           (2) During the period in which a notice of intent to sell is valid, an  
12 owner shall provide a new notice of intent to sell, consistent with the  
13 requirements of subsection (b) of this section, prior to making an offer to sell  
14 the age-restricted property or accepting an offer to purchase the age-restricted  
15 property that is either more than five percent below the price for which the  
16 age-restricted property was initially offered for sale or less than five percent  
17 above the final written offer from the Board or its assignee.

18           (h) “Good faith.” The Board or its assignee shall negotiate in good faith  
19 with the owner for purchase of the age-restricted property.

20           Sec. 94. 9 V.S.A. § 4468a is added to read:

21           § 4468a. AGE-RESTRICTED HOUSING; RENT INCREASE; NOTICE

1       (a) Except as provided in subsection (c) of this section, an owner of  
2       privately owned age-restricted residential property within the State that is not  
3       licensed pursuant to 33 V.S.A. chapter 71 or 8 V.S.A. chapter 151 shall  
4       provide written notification on a form provided by the Department of Housing  
5       and Community Development to the Department and all the affected residents  
6       of any rent increase at the property not later than 60 days before the effective  
7       date of the proposed increase. The notice shall include all the following:

8               (1) the amount of the proposed rent increase;

9               (2) the effective date of the increase;

10              (3) a copy of the resident's rights pursuant to this section; and

11              (4) the percentage of increase from the current base rent.

12       (b) If the owner fails to notify either the residents or the Department of a  
13       rent increase as required by subsection (a) of this section, the proposed rent  
14       increase shall be ineffective and unenforceable.

15       (c) This section shall not apply to any rent increase at any publicly  
16       subsidized affordable housing that is monitored by a State or federal agency  
17       for rent limitations.

18                                      \* \* \* Reports and Studies \* \* \*

19       Sec. 95. LAND BANK REPORT

20       (a) The Department of Housing and Community Development and the  
21       Vermont League of Cities and Towns shall analyze the feasibility of a land

1 bank program that would identify, acquire, and restore to productive use  
2 vacant, abandoned, contaminated, and distressed properties. The Department  
3 and the League shall engage with local municipalities, regional organizations,  
4 community organizations, and other stakeholders to explore:

5 (1) existing authority for public interest land acquisition for  
6 redevelopment and use;

7 (2) successful models and best practices for land bank programs in  
8 Vermont and other jurisdictions, including local, regional, nonprofit, state, and  
9 hybrid approaches that leverage the capacities of diverse communities and  
10 organizations within Vermont;

11 (3) potential benefits and challenges to creating and implementing a  
12 land bank program in Vermont;

13 (4) alternative approaches to State and municipal land acquisition,  
14 including residual value life estates and eminent domain, for purposes of  
15 revitalization and emergency land management, including for placement of  
16 trailers and other temporary housing;

17 (5) funding mechanisms and resources required to establish and operate  
18 a land bank program; and

19 (6) the legal and regulatory framework required to govern a State land  
20 bank program.

1       (b) On or before December 15, 2024, the Department of Housing and  
2       Community Development and the Vermont League of Cities and Towns shall  
3       submit a report to the Senate Committee on Economic Development, Housing  
4       and General Affairs and the House Committee on General and Housing with  
5       its findings and recommendations, including proposed draft legislation for the  
6       establishment and operation of a land bank.

7       Sec. 96. RENT PAYMENT REPORTING REPORT

8       (a) To facilitate the development of a pilot program for housing providers  
9       to report tenant rent payments for inclusion in consumer credit reports, the  
10       Office of the State Treasurer shall study:

11               (1) any entities currently facilitating landlord credit reporting;

12               (2) the number of landlords in Vermont utilizing rent payment software,  
13       related software expenses, and the need for or benefit of utilizing software for  
14       positive pay reporting;

15               (3) the impacts on tenants from rent payment reporting programs,  
16       including, if feasible, data gathered from the Champlain Housing Trust's  
17       program;

18               (4) any logistical steps the State must take to facilitate the program and  
19       any associated administrative costs; and

20               (5) any other issues the Treasurer deems appropriate for facilitating the  
21       development of the pilot program.

1        (b) On or before December 15, 2024, the Treasurer shall submit a report to  
2        the Senate Committee on Economic Development, Housing and General  
3        Affairs with its findings and recommendations, which may be in the form of  
4        proposed legislation.

5        Sec. 97. LANDLORD-TENANT LAW; STUDY COMMITTEE; REPORT

6        (a) Creation. There is created the Landlord-Tenant Law Study Committee  
7        to review and consider modernizing the landlord-tenant laws and evictions  
8        processes in Vermont.

9        (b) Membership. The Committee shall be composed of the following  
10       members:

11        (1) three current members of the House of Representatives, not all from  
12        the same political party, who shall be appointed by the Speaker of the House;

13        (2) three current members of the Senate, not all from the same political  
14        party, who shall be appointed by the Committee on Committees;

15        (3) a representative of Vermont Legal Aid with experience defending  
16        tenants in evictions actions;

17        (4) a representative of the Vermont Landlords Association;

18        (5) a representative of the Department of Housing and Community  
19        Development; and

20        (6) a representative of the Judiciary.



1        (c) Powers and duties. The Committee shall study issues with Vermont’s  
2        landlord-tenant laws and current evictions process, including the following  
3        issues:

4            (1) whether Vermont’s landlord-tenant laws require modernization;

5            (2) the impact of evictions policies on rental housing availability;

6            (3) whether current termination notice periods and evictions processing  
7        timelines reflect the appropriate balance between landlord and tenant interests;

8            (4) practical obstacles to the removal of unlawful occupants; and

9            (5) whether existing bases for termination are properly utilized,

10        including specifically 9 V.S.A. § 4467(b)(2) (termination for criminal activity,  
11        illegal drug activity, or acts of violence).

12        (d) Assistance. For purposes of scheduling meetings and preparing  
13        recommended legislation, the Committee shall have the assistance of the  
14        Office of Legislative Operations and the Office of Legislative Counsel.

15        (e) Report. On or before December 15, 2024, the Committee shall report to  
16        the Senate Committee on Economic Development, Housing and General  
17        Affairs with its findings and any recommendations for legislative action, which  
18        may be in the form of proposed legislation.

19        (f) Meetings.

20            (1) The ranking member of the Senate shall call the first meeting of the  
21        Committee to occur on or before August 31, 2024.



1           (2) Sec. 17 (revision authority) shall take effect on July 1, 2025.

2           (3) Secs. 18 (10 V.S.A. § 6001), 19 (10 V.S.A. § 6086(a)(8)), and 25 (10  
3 V.S.A. § 6001) shall take effect on December 31, 2026;

4           (4) Sec. 24 (10 V.S.A. § 6001(3)(A)(xii)) shall take effect on July 1,  
5 2026;

6           (5) Secs. 53 (32 V.S.A. § 5930aa), and 55 (32 V.S.A. § 5930bb) shall  
7 take effect on January 1, 2027;

8           (6) Notwithstanding 1 V.S.A. § 214, Sec. 69 (medical expenses  
9 deduction) shall take effect retroactively on January 1, 2024 and shall apply to  
10 taxable years beginning on and after January 1, 2024.;and

11           (7) Sec. 67 (grand list contents, 32 V.S.A. § 4152(a)) shall take effect on  
12 July 1, 2037.

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17           (Committee vote: \_\_\_\_\_)

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\_\_\_\_\_

19

Senator \_\_\_\_\_

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FOR THE COMMITTEE