

H.687- House Proposal to Senate Proposal
Section by Section Summary
Ellen Czajkowski, Office of Legislative Counsel
8 May 2024

Sec.	Citation	Summary
Act 250		
1	10 V.S.A. § 6000	Statutory purpose section adding references to the Capability and Development Plan, the municipal and regional planning goals, and the 30 x 30 and 50 x 50 goals and housing.
1a		Session law purpose section
2	10 V.S.A. § 6021	Amends the statute which establishes the Natural Resources Board (NRB). This section changes its name to the Land Use Review Board (LURB). The Board shall have 5 members appointed by the Governor after applicants are reviewed by the Land Use Review Board Nominating Committee. The Chair and four members shall be full-time positions. It adds language for types of skills sought and encourages diversity in the members of the Board. Terms are for staggered 5-year terms. There are no alternates. Terms start on July 1 and end on June 30. Vacancies are to be filled for remainder of term. Members may seek reappointment. Members are only removable by the other Board members for cause after notice and a hearing, using procedures adopted by the Board. Retiring members may remain part of a case until it is concluded.
3	10 V.S.A. § 6032	Adds a new section which establishes the Land Use Review Board Nominating Committee. The Nominating Committee shall advertise vacancies on the Board, review applicants for Board positions, and recommend qualified candidates to the Governor for appointment. The Committee shall be made up of 2 members of the Executive Branch appointed by the Governor, with one from the Dept of HR; 2 members of the House appointed by the Speaker; and 2 members of the Senate appointed by the Committee on Committees. Members shall be appointed by June 30, 2024. Terms for Committee members shall last for 2 years.
4	10 V.S.A. § 6025	It directs the Board to adopt rules approving regional plans and regional maps.
5	10 V.S.A. § 6027	Amends the powers of the Board. It adds language reaffirming the supervisory authority of the Board and District Commissions. It requires the Board to publish its decisions online. It gives the Board the power to review regional plans and maps and review applications for Tier 1A areas. This is in addition to the Board's existing duties in statute, which include: <ul style="list-style-type: none"> • administer oaths, take depositions, subpoena and compel the attendance of witnesses, and require the production of evidence • enter upon lands of parties before it and for investigations • apply and receive grants • manage workload of District Commissions.

		<ul style="list-style-type: none"> • allow for joint hearings • publish index of decisions, including its own • manage process for issuing land use permits • initiate enforcement
The Senate removed the appeals of Act 250 permits and jurisdictional opinions moving to the Board. It leaves the appeals at the Environmental Division of the Superior Court and adds a study of appeals in Sec. 11a.		
6	10 V.S.A. § 6022	It gives the Board authority to hire additional permanent personnel. It also requires the Board to have an Executive Director. (The NRB currently has an ED, but it is not a permanent position.) The duties of the Executive Director shall be: (1) supervising and administering the operation and implementation of Act 250 and the Board's rules; (2) assisting the Board in its duties and administering Act 250; and (3) employing staff.
7	10 V.S.A. § 6084	It shifts the burden of providing notice of applications to the District Commissions and requires notice be posted on the Board's website. Requires that applicants post a sign on the property stating that the property has applied for an Act 250 permit.
8	10 V.S.A. § 6086(h)	Allows District Commission to require self-certification for compliance with permit conditions- removed notary requirement
9	10 V.S.A. § 6083a	Establishes \$295 as the filing fee for application for Tier 1A areas, and regional plan and map approval.
Transition; revision authority		
10		Appropriates \$56,250 to the NRB for one new staff attorney.
11		Governor to appoint new Board by January 1, 2025. Transfers the personnel of the NRB to the LURB. Gives revision authority to Legislative Counsel to change the references to the NRB to the LURB.
11a		Act 250 Appeals Study- LURB shall study whether Act 250 permit appeals and JO appeals should go to the Board instead of the Court. The Board shall consult with the listed stakeholders. Report due January 15, 2026.
Forest Blocks		
12	10 V.S.A. § 6001	Adds definitions to Act 250 related to forest blocks and habitat connectors to be used in criterion 8(C)
13	10 V.S.A. § 6086(a)(8)	Adds new criteria to Act 250- 8(C) which requires applicants to not have an undue adverse impact on forest blocks and habitat connectors. If a project as proposed would result in an undue adverse impact, a permit may only be granted if effects are avoided, minimized, or mitigated as allowed in accordance with rules adopted by the Board.
14		Rulemaking for new Criterion 8C- forest blocks and habitat connectors. Rules due to LCAR June 15, 2026.

15	10 V.S.A. § 127	Requires ANR to map forest blocks and habitat connectors and to establish procedures for updating maps.
Wood Products Manufacturers		
16	10 V.S.A. § 6093	Under Act 250, lowers the amount of required mitigation for primary agricultural soils for wood products manufacturers to 1:1 protected to affected acres.
Accessory on-farm businesses		
17	24 V.S.A. § 4412(11)	Amends the definition of accessory on-farm business as used in the municipal zoning chapter. Changes it to allow the revenues of the business to exceed the revenues of the farm and allows them to sell merchandise, baked goods, and agricultural products grown on other farms.
18	10 V.S.A. § 6081	Creates a new Act 250 exemption for accessory on-farm businesses. Exempts all businesses for storage and sale of products. Exemption for preparation and processing if 50% of product comes from that farm. No exemption for event spaces.
Road Rule		
19	10 V.S.A. § 6001	New jurisdictional triggers for construction of one 800ft private road and any combination of private roads or driveways of more than 2000ft constructed after July 1, 2026 – added clarifying language on maintenance and repairs
20		Allows the NRB to adopt rules to clarify the new road construction jurisdictional trigger
Location-Based Jurisdiction		
21	10 V.S.A. § 6001	Creates new jurisdictional triggers for construction within a Tier 3 area. Also, adds definitions for Tier 2 and Tier 3.
22		Directs the NRB to adopt rules further defining Tier 3, how it will be administered, and how it will be mapped. Directs the Board to convene a stakeholder group on the issues. The Board shall submit rules to LCAR by Feb. 1, 2026 and submit report to General Assembly on rules and the critical natural resources.
Tier 1 Areas		
23	10 V.S.A. § 6001(3)(A)(xi)	Repeals the Act 47 sunset for the Act 250 exemption for up to 24 units of housing located in a downtown, NDA, village center w/permanent zoning and subdivision bylaws, or growth center because larger exemptions are created for these areas later in the bill.
24	10 V.S.A. § 6001(3)(D)(viii)(III)	Extends the Act 47 sunset from July 1, 2026 to January 1, 2027 for the Act 250 exemption that removes the cap for the number of priority housing project units that can be exempt if located in a downtown, NDA, or growth center. It also extends the areas to include ½ mile around the designated center and requires that the areas have permanent zoning and subdivision bylaws and sewer, water, or appropriate soils.
25		Repeals the Act 47 sunset for the Act 250 exemption for electric utilities (works with Sec. 26).

25a	Act 47, Sec. 16a	Amends the Act 47 provision that required a person to get a JO if they want to use the exemptions so that it includes the new exemptions in Sec. 31.
26	10 V.S.A. § 6081(y)	Amends the Act 47 sunset for the Act 250 exemption for electric utilities rebuilding distribution lines. Extends it from July 1, 2026 to December 31, 2030.
27	10 V.S.A. § 6033	Establishes process for LURB to review regional plan future land use maps and Tier 1B. RPCs submit to LURB plans and maps which must be in compliance with requirements if the town requests to have. Requirements are outlined in the section.
28	10 V.S.A. § 6034	Establishes process and requirements for municipalities to apply for Tier 1A area status. Municipalities may begin applying on January 1, 2026 or after their regional plan has been approved.
29		LURB shall issue guidelines for municipalities applying for Tier 1A area status by 1/1/2026.
30	24 V.S.A. § 4382	Towns shall identify Tier 1A and 1B areas on their town map
31	10 V.S.A. § 6081	Act 250 exemptions: <ul style="list-style-type: none"> • Establishes exemptions for any development in Tier 1A areas and in Tier 1B areas up to 49 units of housing, including those part of a mixed-use development • Also creates exemptions for hotel or motels converted to permanently affordable housing, • Until July 1, 2028, exemptions for accessory dwelling units, and converting a structure used for a commercial purpose to 29 or fewer housing units Creates <u>interim exemptions</u> for housing until January 1, 2027 as follows: <ul style="list-style-type: none"> • 75 or fewer units in new town centers, growth centers, and neighborhood development area in the areas with permanent zoning and subdivision bylaws and sewer, water, or appropriate soils • 50 units within ¼ mile around village centers with zoning and subdivision bylaws and sewer, water, or appropriate soils • All housing within downtowns with permanent zoning and subdivision bylaws and sewer, water, or appropriate soils
32	10 V.S.A. § 6001(50)	Adds definition for “accessory dwelling unit” to be used in Sec. 31 exemptions.
33	24 V.S.A. § 4460	Directs municipalities with Tier 1A area status to add existing Act 250 permit conditions to municipal land use permits and enforce those permit conditions
34		Tier 2 Area Report- The LURB shall report back by Feb. 15, 2026 on recommendations for adjustments to the jurisdictional triggers used within Tier 2, including how to address parcel size, criterion 9(L), and accessory on-farm businesses

35		Wood Products Manufacturers Report- The NRB shall report back by Dec. 15, 2024 on recommendations for the permitting process for wood products manufacturers
36		Location-Based Jurisdiction Review- The LURB shall report back on Feb. 1, 2029 on any necessary changes to the Tier system established under this act.
37		Affordable Housing Development Regulatory Incentives Study- The Department of Housing and Community Development shall report back by Dec. 15, 2024 on recommendations for incentives for affordable housing development within designated areas.
37a		Transportation Support Study- Agency of Transportation shall recommend processes to preserve/develop transportation support in areas that are now exempt from Act 250. Report due Dec. 15, 2025.
38		DELETED (DFW new biologist position)
Environmental Justice- pushes back all of the EJ policy schedule dates by 2 years		
39	3 V.S.A. § 6004	<ul style="list-style-type: none"> • Changes when agencies need to create and adopt a community engagement plan from July 1, 2025 to July 1, 2027. • Changes when ANR needs to issue guidance on how to determine which investments provide environmental benefits from September 15, 2023 to 2025 • Changes when the agencies need to generate baseline spending reports from Feb. 15, 2024 to 2026 • Changes when the goal of the covered agencies is to direct investments proportionately in environmental justice focus populations starts from July 1, 2024 to 2026 • Changes when agencies need to issue annual spending reports from Jan. 15, 2026 to 2028 • Changes when agencies shall post report on all actions taken to incorporate environmental justice into its policies from Jan. 15, 2025 to 2027
40	3 V.S.A. § 6005	<ul style="list-style-type: none"> • Changes when ANR needs to adopt environmental justice rules from July 1, 2025 to 2027 • Changes when other agencies need to adopt environmental justice rules from July 1, 2026 to 2028
41	3 V.S.A. § 6006	<ul style="list-style-type: none"> • Environmental Justice Advisory Council and Interagency Committee can meet up to 12 times per year instead of 8 times. • Changes when Interagency Committee shall develop a set of core principles on environmental justice • Changes when the Advisory Council and the Interagency Committee shall submit recommended updates to the General Assembly from Dec. 1, 2023 to 2025

43	3 V.S.A. § 6007	Changes when the environmental justice mapping tool shall be available from Jan. 1, 2025 to 2027.
Amicus briefs		
44	10 V.S.A. § 8504(q)	Allows the Environmental Division judges to allow amicus briefs in Act 250 and Agency permit cases.
Future Land Use Maps		
45	24 V.S.A. § 4302	Updates regional and municipal planning goals to reference the land use categories, designated areas, housing targets, and environmental justice.
46	24 V.S.A. § 4345a	Duties of regional planning commissions- Directs RPCs to incorporate meaningful participation into their processes and consider potential environmental benefits and burdens, submit comments on the State Transportation Program, and gives substantial deference to substantial regional impact in municipal regulatory proceedings.
47	24 V.S.A. § 4347	Adds climate resilience, mitigation, and adaption to the purposes of the regional plan.
48	24 V.S.A. § 4348	Updates the process for adopting the regional plan, including the notice, public engagement, and notice and engagement with municipalities. Plans are required to be approved by the LURB. Updated regional plans shall be adopted by 12/31/26.
49	24 V.S.A. § 4348a	Updates the elements required to be included in the regional plan and future land use maps, including the new land use categories to be used in the Act 250 Tier process.
50		Regional Planning Commission Study- VAPDA shall hire a consultant to contractor to study the strategic opportunities for regional planning commissions to better serve municipalities and the State. Report back by Dec. 31, 2024.
Municipal Zoning		
51	24 V.S.A. § 4382	Changes “should” to “shall” for use of data in the housing element of town plan
52	24 V.S.A. § 4412	Changes the municipal zoning requirements so that density and minimum lot size cannot be more restrictive; density bonus round up to whole unit; prohibits functional family zoning.
53	24 V.S.A. § 4413	Places limits on what aspects towns can regulate zoning for hotels and motels converted to permanently affordable housing developments.
54	24 V.S.A. § 4428	Allows towns to adopt parking bylaws and includes some provisions that must be included.
55	24 V.S.A. § 4414	The number of required parking spaces shall be rounded up
56		Moves up effective date for Sec. 55 from Dec. 1, 2024 to July 1, 2024

57	24 V.S.A. § 4429	DELETED -Lot coverage bylaws shall allow a bonus for lots that allow access to lots without road frontage
58	24 V.S.A. § 4464	DELETED -Municipal panel shall hold hearing on zoning permit and decide on application w/180days
59	24 V.S.A. § 4465	DELETED -Changes appeal by 10 people to 25 people
60		DELETED
61	10 V.S.A. § 8504	It shall be the goal of the Environmental Division of the Superior to decide municipal zoning permit appeals within 90 days of the hearing
Resilience Planning		
62	24 V.S.A. § 4306	Changes the name of the Municipal and Regional Planning Fund to the Municipal and Regional Planning and Resilience Fund; allows grants from the fund to be spent on resilience planning, including flood protection and climate resilience.
63		DELETED
64		DELETED
Designated Areas Update		
65		Repeals chapter 24 V.S.A. chapter 76A on July 1, 2034 Repeals State Downtown Board on July 1, 2024, replaces it with Community Investment Board in next section
66	24 V.S.A. chapter 139	Creates new chapter 139 to replace chapter 76A § 5801- Definition section § 5802- Vermont Community Investment Board to replace the State Downtown Board § 5803- Designation of Downtown and Village Centers- replaces the Designated Downtowns, Village Centers, and New Town Centers. Areas are automatically designated based on the regional plan future land use maps. Towns can access additional benefits if they comply with additional criteria. § 5804- Designated Neighborhood- replaces the Designated Neighborhood Development Areas and Growth Centers. § 5805- Grants and Gifts § 5806- Designation Data Center- The Department of Housing and Community Development (DHCD) shall maintain information on the designated areas. § 5807- Better Places Program; Crowd Granting- same as existing, just moves to new chapter except that this program was set to sunset July 1, 2024.
67		Municipal Technical Assistance Report- DHCD shall recommend procedure for providing interagency technical assistance to municipalities participating in the programs under this chapter by Dec. 31, 2025

Tax Credits		
68	32 V.S.A. § 5930aa	DELETED -Amends Downtown and Village Center Tax Credit program to reference new designated areas.
69	32 V.S.A. § 5930aa	Updates Flood Mitigation tax credit to include buildings not located in the flood hazard area.
70	32 V.S.A. § 5930bb	Amends Downtown and Village Center Tax Credit program to strike old language.
71	32 V.S.A. § 5930cc	Increases code improvement tax credit from \$50,000 to \$100,000; increases the flood mitigation tax credit from \$75,000 to \$100,000
72		DELETED
Taxes		
73	32 V.S.A. § 9602	Replaces Senate PTT rate on second homes with House approach from H.829. Imposes a higher rate of 3.65% on the value of property in excess of \$750,000.00 in value. Increases the amount of value of a principal residence that is not taxed from \$110,000.00 to \$200,000.00 if the residence is purchased with a mortgage funded by VHCB/VHFA/USDARD. Increases the amount of value taxed at a lower rate of 0.5% from \$100,000.00 to \$200,000.00 for all other principal residences.
74		Increases the CWS rate to 0.22 percent and increases the amount of value of a principal residence that is not taxed from \$200,000.00 to \$250,000.00 if the residence is purchased with a mortgage funded by VHCB/VHFA/USDARD. Increases the amount of value not taxed from \$100,000.00 to \$200,000.00 for all other principal residences.
75		Conforming change for changes to PTT in 2027.
76		Changes the statutory allocation of PTT revenue for the MRPF from 17 percent to 13 percent.
77		Replaces \$900,000.00 statutory allocation to Act 250 Permit Fund (but appropriates an additional \$900,000.00 in FY 25 in Sec. 113b). Changes the statutory allocation of PTT revenue for the GF from 33 percent to 37 percent.
78		(1) \$6,106,310.00 shall be transferred from the General Fund into the Vermont Housing and Conservation Trust Fund. (2) \$1,279,740.00 shall be transferred from the General Fund into the Municipal and Regional Planning Fund.
79-83	32 V.S.A. chapter 125, subchapter 3	DELETED -Creates an education property tax exemption to freeze property values of certain newly constructed and rehabilitated principal residences in flood impacted communities. The value freeze is for three years. Municipalities have the option to also allow the exemption for municipal property taxes. Sunsets in 2037.

83a	32 V.S.A. § 9603	<p>Creates three new PTT exemptions:</p> <ol style="list-style-type: none"> 1. Transfers of abandoned properties for rehabilitation. 2. Transfers of a new mobile home that bears a label evidencing greater energy efficiency provided under the ENERGY STAR Program. 3. Partial exemption – <p>(b) The following transfers shall not pay a rate higher than 1.25 percent of the value of the property transferred:</p> <p>(1) Transfers of property that are enrolled in the Use Value Appraisal Program pursuant to chapter 124 of this title, and will continue to be enrolled after transfer, provided:</p> <p style="padding-left: 20px;">(A) at least 25 acres are enrolled as agricultural land, as defined in subdivision 3752(1)(A) of this title; and</p> <p style="padding-left: 20px;">(B) the transferee is a farmer, as defined in subdivision 3752(7) of this title.</p>
84		DELETED in Senate
85		DELETED in Senate
Housing Programs		
86	10 V.S.A. § 699	Amends VHIP to: (1) encourage accessibility improvements by (a) raising the funding cap from \$50K to \$70K for accessible units, (b) permitting use of funds on accessible parking, and (c) deeming individuals with disabilities as priority tenants; and (2) extend the tenant restrictions already in place for five-year agreements to the ten-year agreements under the program
87		DELETED
88		Establishes a Resident Services Program, run by the Agency of Human Services and VHCB, to distribute funds to affordable housing organizations to respond to urgent resident needs and aid with housing retention
89	Act 47, Sec. 36	Amends the Middle-Income Homeownership Development Program to allow VHFA to reasonably exceed the 35% cap on development subsidies on projects where a 35% subsidy is insufficient to produce affordable housing for income-eligible homebuyers (up to 120% AMI)
90		\$1M appropriation to VHFA for the First-Generation Homebuyer Program
91		\$1M appropriation to VHCB for the Land Access and Opportunity Board
Accessibility Priority for Housing Authorities		

92		Requires housing authorities to prioritize tenants with disabilities when renting out accessible dwellings
Housing Accountability		
93		Housing progress report: tasks DHCD with developing metrics for measuring progress toward statewide and regional housing targets and reporting annually through 2030, including providing recommendations if efforts are not on track to achieve the targets
Eviction Prevention Initiatives		
94		\$400,000 appropriated to DCF to grant to CVOEO's Rental Housing Stabilization Services Program
95		\$1,025,000 appropriated to AHS to grant to Vermont Legal Aid for Tenant Representation Pilot Program
96		\$2,500,000 appropriated to VSHA for Rent Arrears Assistance Fund
97		DELETED
Rental Data Collection and Protection		
98	32 V.S.A. § 6069	Boost landlord certificate disclosure; eliminate public request for information from certificate; require annual aggregated data report to legislative committees
99	32 V.S.A. § 3102	Landlord certificate confidentiality provisions; annual disclosure of information from landlord certificates to VEM and DHCD
Short-Term Rentals		
100-101	20 V.S.A. § 2676 20 V.S.A. § 2678	Requires Division of Fire Safety to provide guidance on health & safety rules to STR platforms; STR operators to post guidance physically and online
Flood Risk Disclosure		
102	27 V.S.A. § 380	Requires flood risk disclosure for conveyance of real property, including if property is located in the 100- or 500-year floodplain; incurred flood damage during the seller's possession; and whether the seller maintains flood insurance
103	9 V.S.A. § 4466	Requires flood risk disclosure for residential rental agreements in a form prescribed by DHCD
104-105	10 V.S.A. § 6236(e) 10 V.S.A. § 6201	Requires flood risk disclosure for mobile home park lot leases in a form prescribed by DHCD
105a	9 V.S.A. § 2602	Requires flood damage disclosure for a mobile home sold as personal property
Mobile Homes		
106	Act 182 (2022), Sec. 3	Amends the Manufactured Home Improvement and Repair Program (MHIR) to clean up references to ARPA and grant DHCD administrative flexibility

107		\$1M appropriation to DHCD for mobile home park infrastructure and home repair awards under MHIR
108		DELETED
Age-Restricted Housing		
109	10 V.S.A. § 325c	Grants VHCB an assignable right of first refusal to purchase privately owned age-restricted housing
110	9 V.S.A. § 4468a	Rent increase notice to DHCD for privately owned age-restricted housing
Reports and Studies		
111		DELETED
112		Rent Payment Reporting Report staffed by Treasurer’s Office to develop pilot program for housing providers to report positive tenant rent payments for inclusion in consumer credit reports
113		Landlord-Tenant Law Study Committee staffed by Legislative Counsel to review and modernize landlord-tenant laws and evictions processes. \$7,700 appropriated for per diems.
113a		DELETED
Natural Resources Board Appropriation		
113b		\$1,300,000 appropriation to NRB
Effective Dates		
114		<p>The bill is effective on passage except:</p> <ul style="list-style-type: none"> • Secs. 12 (10 V.S.A. § 6001), 13 (10 V.S.A. § 6086(a)(8)), and 20 (10 V.S.A. § 6001) shall take effect on <u>December 31, 2026</u>; • Sec. 19 (10 V.S.A. § 6001(3)(A)(xii)) shall take effect on <u>July 1, 2026</u>; • Secs. 73 (32 V.S.A. § 9602) and 83a (property transfer tax exemptions) shall take effect on <u>August 1, 2024</u>. • Sec. 75 (clean water surcharge conforming change) shall take effect on July 1, 2027 • Sec. 98 (landlord certificate data collection) shall take effect July 1, 2025 (changed in the House in response to feedback from VHFA) <p>And that the bill name remain “An act relating to community resilience and biodiversity protection through land use”</p>