

1 TO THE HONORABLE SENATE:

2 The Committee on Economic Development, Housing and General Affairs to
3 which was referred Senate Bill No. 311 entitled “An act relating to bringing
4 everyone home” respectfully reports that it has considered the same and
5 recommends that the bill be amended by striking out all after the enacting
6 clause and inserting in lieu thereof the following:

7 Sec. 1. SHORT TITLE

8 This act shall be known and may be cited as the “BE Home Act.”

9 * * * Act 250 * * *

10 Sec. 2. 10 V.S.A. § 6001 is amended to read:

11 § 6001. DEFINITIONS

12 As used in this chapter:

13 * * *

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

15 * * *

16 (iv)(I) The construction of housing projects such as cooperatives,
17 condominiums, or dwellings, or construction or maintenance of mobile homes
18 or mobile home parks, with ~~40~~ 75 or more units, constructed or maintained on
19 a tract or tracts of land, located within a municipality with permanent zoning
20 and subdivision bylaws, served by municipal sewer and water infrastructure as
21 defined by 24 V.S.A. § 4303, and owned or controlled by a person, ~~within a~~

1 ~~radius of five miles of any point on any involved land and within any~~
2 ~~continuous period of five two years. However:~~

3 ~~(I) A priority housing project shall constitute a development~~
4 ~~under this subdivision (iv) only if the number of housing units in the project is:~~

5 ~~(aa) [Repealed.]~~

6 ~~(bb) [Repealed.]~~

7 ~~(cc) 75 or more, in a municipality with a population of 6,000~~
8 ~~or more but less than 10,000.~~

9 ~~(dd) 50 or more, in a municipality with a population of less~~
10 ~~than 6,000.~~

11 ~~(ee) [Repealed.]~~

12 ~~(ff) Notwithstanding subdivisions (cc) through (ee) of this~~
13 ~~subdivision (3)(A)(iv)(I), 10 or more if the construction involves the~~
14 ~~demolition of one or more buildings that are listed on or eligible to be listed on~~
15 ~~the State or National Register of Historic Places. However, demolition shall~~
16 ~~not be considered to create jurisdiction under this subdivision (ff) if the~~
17 ~~Division for Historic Preservation has determined that the proposed demolition~~
18 ~~will have no adverse effect, will have no adverse effect if specified conditions~~
19 ~~are met, or will have an adverse effect that will be adequately mitigated. Any~~
20 ~~imposed conditions shall be enforceable through a grant condition, deed~~
21 ~~covenant, or other legally binding document.~~

1 (II) ~~The determination of jurisdiction over a priority housing~~
2 ~~project shall count only the housing units included in that discrete project~~ The
3 construction of housing projects such as cooperatives, condominiums, or
4 dwelling, or construction or maintenance of mobile homes or mobile home
5 parks, with 30 or more units, constructed or maintained on a tract or tracts of
6 land owned or controlled by a person, located within a municipality with
7 permanent zoning and subdivision bylaws, and within any continuous period
8 of two years.

9 (III) ~~Housing units in a priority housing project shall not count~~
10 ~~toward determining jurisdiction over any other project~~ The construction of
11 housing projects such as cooperatives, condominiums, or dwelling, or
12 construction or maintenance of mobile homes or mobile home parks, with
13 10 or more units, constructed or maintained on a tract or tracts of land owned
14 or controlled by a person, within a located municipality without permanent
15 zoning and subdivision bylaws, and within any continuous period of two years.

16 * * *

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

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

7 * * *

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

9 * * *

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

12 (II) ~~If the construction of a priority housing project in this~~
13 ~~subdivision (3)(D)(viii) involves demolition of one or more buildings that are~~
14 ~~listed or eligible to be listed on the State or National Register of Historic~~
15 ~~Places, this exemption shall not apply unless the Division for Historic~~
16 ~~Preservation has made the determination described in subdivision (A)(iv)(I)(ff)~~
17 ~~of this subdivision (3) and any imposed conditions are enforceable in the~~
18 ~~manner set forth in that subdivision.~~

19 (III) ~~Notwithstanding any other provision of law to the~~
20 ~~contrary, until July 1, 2026, the construction of a priority housing project~~
21 ~~located entirely within a designated downtown development district,~~

1 ~~designated neighborhood development area, or a designated growth center~~
2 Hotels and motels converted to permanently affordable housing developments
3 as defined in 24 V.S.A. § 4303(2).

4 * * *

5 (35) ~~“Priority housing project” means a discrete project located on a~~
6 ~~single tract or multiple contiguous tracts of land that consists exclusively of~~
7 ~~mixed income housing or mixed use, or any combination thereof, and is~~
8 ~~located entirely within a designated downtown development district,~~
9 ~~designated new town center, designated growth center, or designated~~
10 ~~neighborhood development area under 24 V.S.A. chapter 76A. [Repealed.]~~

11 * * *

12 Sec. 3. 10 V.S.A. § 6081 is amended to read:

13 § 6081. PERMITS REQUIRED; EXEMPTIONS

14 * * *

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

17 * * *

18 (aa) No permit amendment is required for the construction of
19 improvements for converting a structure used for a commercial purpose to
20 29 or fewer housing units.

1 (bb) No permit amendment is required for development or subdivisions,
2 located on a tract or tracts of land, owned or controlled by a person, within a
3 designated center and within a radius of one-quarter mile of the boundary of a
4 designated village center and one-half mile of the boundary of a designated
5 center.

6 Sec. 4. 10 V.S.A. § 6084(f) is added to read:

7 (f) The applicant shall post a sign provided by the District Commission on
8 the subject property in a visible location 14 days prior to the hearing on the
9 application and until the permit is issued or denied. The District Commission
10 shall provide the sign that shall include a general description of the project, the
11 date and place of the hearing, the identification number of the application and
12 the internet address, and the contact information for the District Commission.
13 The design of the signs shall be consistent throughout the State and
14 prominently state “This Property has applied for an Act 250 Permit.”

15 Sec. 5. 10 V.S.A. § 6086(d) is amended to read:

16 (d) State and municipal permits.

17 (1) The District Commission shall not delay issuing a permit under this
18 chapter on the grounds that the development or subdivision has not received
19 one or more other required State permits or approvals; however, it may include
20 a condition that construction may not commence until such other required
21 permits or approvals are received.

1 (2) The Natural Resources Board ~~may by rule~~ shall allow the acceptance
2 of a permit or permits or approval of any State agency with respect to
3 subdivisions (a)(1) through (5) of this section or a permit or permits of a
4 specified municipal government with respect to subdivisions (a)(1) through (7)
5 and (9) and (10) of this section, or a combination of such permits or approvals,
6 in lieu of evidence by the applicant. A District Commission, ~~in accordance~~
7 ~~with rules adopted by the Board,~~ shall accept determinations issued by a
8 development review board under the provisions of 24 V.S.A. § 4420, with
9 respect to local Act 250 review of municipal impacts. The acceptance of such
10 approval, positive determinations, permit, or permits shall ~~create a presumption~~
11 constitute conclusive evidence that the application is not detrimental to the
12 public health and welfare with respect to the specific requirement for which it
13 is accepted. In the case of approvals and permits issued by the Agency of
14 Natural Resources, technical determinations of the Agency shall be accorded
15 substantial deference by the Commissions.

16 (3) The acceptance of negative determinations issued by a development
17 review board under the provisions of 24 V.S.A. § 4420, with respect to local
18 Act 250 review of municipal impacts, shall create a presumption that the
19 application is detrimental to the public health and welfare with respect to the
20 specific requirement for which it is accepted. Any determinations, positive or
21 negative, under the provisions of 24 V.S.A. § 4420 shall create presumptions

1 only to the extent that the impacts under the criteria are limited to the
2 municipality issuing the decision. ~~Such a rule may be revoked or amended~~
3 ~~pursuant to the procedures set forth in 3 V.S.A. chapter 25, the Vermont~~
4 ~~Administrative Procedure Act. The rules adopted by the Board shall not~~
5 ~~approve the acceptance of a permit or approval of such an agency or a permit~~
6 ~~of a municipal government unless it satisfies the appropriate requirements of~~
7 ~~subsection (a) of this section.~~

8 Sec. 6. 10 V.S.A. § 6086(h) is added to read:

9 (h) Compliance self-certification. The District Commission may require
10 that a person who receives a permit under this chapter report on a regular
11 schedule to the District Commission on whether or not the person has
12 complied with and is in compliance with the conditions required in that permit.
13 The report shall be made on a form provided by the Board and shall be
14 notarized and contain a self-certification to the truth of statements.

15 Sec. 7. REPORT; MITIGATION OF PRIMARY AGRICULTURAL SOILS

16 On or before January 15, 2025, the Department of Housing and Community
17 Development, after consultation with the Agency of Agriculture, Food, and
18 Markets, the Vermont Housing and Conservation Board, and members from
19 the regional planning commissions, shall submit a report to the Senate
20 Committee on Economic Development, Housing, and General Affairs and the
21 House Committee on Agriculture, Food Resiliency, and Forestry

1 recommending appropriate updates to the ratios of mitigation for primary
2 agricultural soil under 10 V.S.A. chapter 151.

3 Sec. 8. REPEALS

4 (a) 10 V.S.A. § 6081(o) and (p) are repealed.

5 (b) 30 V.S.A. § 55 (priority housing projects; stretch code) is repealed.

6 (c) 2023 Acts and Resolves No. 47, Sec. 16a (Act 250 exemption
7 requirements) is repealed.

8 (d) 10 V.S.A. § 6001(3)(A)(iv) and 10 V.S.A. § 6081(bb) are repealed on
9 June 30, 2029.

10 * * * Municipal Zoning * * *

11 Sec. 9. 24 V.S.A. § 4382 is amended to read:

12 § 4382. THE PLAN FOR A MUNICIPALITY

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

17 * * *

18 (10) A housing element that shall include a recommended program for
19 public and private actions to address housing needs and targets as identified by
20 the regional planning commission pursuant to subdivision 4348a(a)(9) of this
21 title. The program ~~should~~ shall use data on year-round and seasonal dwellings

1 and include specific actions to address the housing needs of persons with low
2 income and persons with moderate income and account for permitted
3 residential development as described in section 4412 of this title.

4 * * *

5 Sec. 10. 24 V.S.A. § 4412 is amended to read:

6 § 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

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

9 (1) Equal treatment of housing and required provisions for affordable
10 housing.

11 * * *

12 (D) Bylaws shall designate appropriate districts and reasonable
13 regulations for multiunit or multifamily dwellings. No bylaw shall have the
14 effect of excluding these multiunit or multifamily dwellings from the
15 municipality. In any district that allows year-round residential development,
16 duplexes shall be ~~an allowed~~ a permitted use with ~~the same~~ dimensional
17 standards as that are not more restrictive than is required for a single-unit
18 dwelling, including no additional land or lot area than would be required for a
19 single-unit dwelling. In any district that is served by municipal sewer and
20 water infrastructure that allows residential development, multiunit dwellings
21 with four or fewer units shall be ~~a permitted use~~ on lots that are at least 1/3 of

1 an acre in size with an allowed density of up to 12 units per acre, unless that
2 district specifically requires multiunit structures to have more than four
3 dwelling units.

4 * * *

5 (12) In any area served by municipal sewer and water infrastructure that
6 allows residential development, bylaws shall establish lot and building
7 dimensional standards that allow five or more dwelling units per acre for each
8 allowed residential use, ~~and density.~~ Any lot that is smaller than one acre but
9 granted a variance of not more than 10 percent shall be treated as one acre for
10 the purposes of this subsection. Density and minimum lot size standards for
11 multiunit dwellings shall not be more restrictive than those required for single-
12 family dwellings.

13 (13) In any area served by municipal sewer and water infrastructure that
14 allows residential development, bylaws shall permit any affordable housing
15 development, as defined in subdivision 4303(2) of this title, including mixed-
16 use development, to exceed density limitations for residential developments by
17 an additional 40 percent, rounded up to the nearest whole unit, which shall
18 include exceeding maximum height limitations by one floor, provided that the
19 structure complies with the Vermont Fire and Building Safety Code.

20 (14) No zoning or subdivision bylaw shall have the effect of prohibiting
21 unrelated occupants from residing in the same dwelling unit.

1 Sec. 11. 24 V.S.A. § 4413 is amended to read:

2 § 4413. LIMITATIONS ON MUNICIPAL BYLAWS

3 (a)(1) The following uses may be regulated only with respect to location,
4 size, height, building bulk, yards, courts, setbacks, density of buildings, off-
5 street parking, loading facilities, traffic, noise, lighting, landscaping, and
6 screening requirements, and only to the extent that regulations do not have the
7 effect of interfering with the intended functional use:

8 (A) State- or community-owned and -operated institutions and
9 facilities;

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

12 (C) churches and other places of worship, convents, and parish
13 houses;

14 (D) public and private hospitals;

15 (E) regional solid waste management facilities certified under
16 10 V.S.A. chapter 159;

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

19 (G) emergency shelters; and

20 (H) hotels and motels converted to permanently affordable housing
21 developments.

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* * *

Sec. 12. 24 V.S.A. § 4428 is added to read:

§ 4428. PARKING BYLAWS

(a) Parking regulation. Consistent with section 4414 of this title and with this section, a municipality may regulate parking.

(b) Tandem parking. Tandem parking shall count toward residential parking space requirements. A municipality may require that tandem spaces are not shared between different dwelling units. As used in this subsection, “tandem parking” means a narrow parking space that can accommodate two or more vehicles parked in a single-file line.

(c) Parking space size standards. For the purpose of residential parking, a municipality shall define a standard parking space as not larger than nine feet by 18 feet, however a municipality may allow a portion of parking spaces to be smaller for compact cars or similar use. A municipality may require a larger space wherever American with Disabilities Act-compliant spaces are required.

(d) Existing nonconforming parking. A municipality shall allow an existing nonconforming parking space to count toward the parking requirement of an existing residential building if new residential units are added to the building.

1 (e) Adjacent lots. A municipality may allow a person with a valid legal
2 agreement for use of parking spaces in an adjacent or nearby lot to count
3 toward the parking requirement of a residential building.

4 Sec. 13. 2023 Acts and Resolves No. 47, Sec. 1 is amended to read:

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

6 § 4414. ZONING; PERMISSIBLE TYPES OF REGULATIONS

7 * * *

8 (4) Parking and loading facilities. A municipality may adopt provisions
9 setting forth standards for permitted and required facilities for off-street
10 parking and loading, which may vary by district and by uses within each
11 district. In any district that is served by municipal sewer and water
12 infrastructure that allows residential uses, a municipality shall not require more
13 than one parking space per dwelling unit. However, a municipality may
14 require 1.5 parking spaces for duplexes and multiunit dwellings in areas not
15 served by sewer and water, and in areas that are located more than one-quarter
16 mile away from public parking. The number of parking spaces shall be
17 rounded up to the nearest whole number when calculating the total number of
18 spaces. These bylaws may also include provisions covering the location, size,
19 design, access, landscaping, and screening of those facilities. In determining
20 the number of parking spaces for nonresidential uses and size of parking
21 spaces required under these regulations, the appropriate municipal panel may

1 take into account the existence or availability of employer “transit pass” and
2 rideshare programs, public transit routes, and public parking spaces in the
3 vicinity of the development.

4 * * *

5 Sec. 14. 2023 Acts and Resolves No. 81, Sec. 10 is amended to read:

6 Sec. 10. 2023 Acts and Resolves No. 47, Sec. 47 is amended to read:

7 Sec. 47. EFFECTIVE DATES

8 This act shall take effect on July 1, 2023, except that:

9 (1) Sec. 1 (24 V.S.A. § 4414) shall take effect on ~~December~~ July 1,
10 2024.

11 * * *

12 Sec. 15. 24 V.S.A. § 4429 is added to read:

13 § 4429. LOT COVERAGE BYLAWS

14 A municipality shall allow for a lot coverage bonus of 10 percent on lots
15 that allow access to new or subdivided lots without road frontage.

16 Sec. 16. 24 V.S.A. § 4442 is amended to read:

17 § 4442. ADOPTION OF BYLAWS AND RELATED REGULATORY

18 TOOLS; AMENDMENT OR REPEAL

19 * * *

20 (c) Routine adoption. A bylaw, bylaw amendment, or bylaw repeal shall
21 be adopted by a majority of the members of the legislative body at a meeting

1 that is held after the final public hearing and shall be effective 21 days after
2 adoption ~~unless, by action of the legislative body, the bylaw, bylaw~~
3 ~~amendment, or bylaw repeal is warned for adoption by the municipality by~~
4 ~~Australian ballot at a special or regular meeting of the municipality.~~

5 * * *

6 Sec. 17. 24 V.S.A. § 4464 is amended to read:

7 § 4464. HEARING AND NOTICE REQUIREMENTS; DECISIONS AND
8 CONDITIONS; ADMINISTRATIVE REVIEW; ROLE OF
9 ADVISORY COMMISSIONS IN DEVELOPMENT REVIEW

10 * * *

11 (b) Decisions.

12 (1) The appropriate municipal panel may recess the proceedings on any
13 application pending submission of additional information. The panel should
14 close the evidence promptly after all parties have submitted the requested
15 information. The panel shall adjourn the hearing and issue a decision within
16 ~~45~~ 180 days after the ~~adjournment of the hearing, and failure of the panel to~~
17 ~~issue a decision within this period shall be deemed approval and shall be~~
18 ~~effective on the 46th day~~ complete application was submitted unless both the
19 applicant and the panel agree to waive the deadline. Decisions shall be issued
20 in writing and shall include a statement of the factual bases on which the
21 appropriate municipal panel has made its conclusions and a statement of the

1 conclusions. The minutes of the meeting may suffice, provided the factual
2 bases and conclusions relating to the review standards are provided in
3 conformance with this subsection.

4 * * *

5 Sec. 18. 24 V.S.A. § 4465 is amended to read:

6 § 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

7 * * *

8 (b) As used in this chapter, an “interested person” means any one of the
9 following:

10 * * *

11 (4) ~~Any 10 persons~~ A minimum of three percent, rounded up to the
12 nearest whole person, of the most recent U.S. Census Bureau population
13 estimate of the municipality that may or may not have participated in the
14 proceeding or any 25 persons, who may be any combination of voters,
15 residents, or real property owners within a municipality listed in subdivision
16 (2) of this subsection who, by signed petition to the appropriate municipal
17 panel of a municipality, the plan or a bylaw of which is at issue in any appeal
18 brought under this title, allege that any relief requested by a person under this
19 title, if granted, will not be in accord with the policies, purposes, or terms of
20 the plan or bylaw of that municipality. This petition to the appropriate
21 municipal panel must designate one person to serve as the representative of the

1 petitioners regarding all matters related to the appeal. For purposes of this
2 subdivision, an appeal shall not include the character of the area affected if the
3 project has a residential component that includes affordable housing.

4 * * *

5 (d) For the purposes of this section, an appeal shall not include the
6 following:

7 (1) Any residential and mixed-use development containing up to
8 25 dwelling units within areas served by municipal sewer and water
9 infrastructure.

10 (2) Any permitted residential and mixed-use development that does not
11 require conditional use review. Development requiring conditional use review
12 may be appealed.

13 (3) Any housing or mixed-use development located within a designated
14 center in a zoning district that allows residential development.

15 Sec. 19. 24 V.S.A. § 4471 is amended to read:

16 § 4471. APPEAL TO ENVIRONMENTAL DIVISION

17 (a) Participation required. An interested person who has participated in a
18 municipal regulatory proceeding authorized under this title may appeal a
19 decision rendered in that proceeding by an appropriate municipal panel to the
20 Environmental Division, except, pursuant to subdivision 4464(b)(4) of this
21 title, that not every person of the three percent of the population needs to have

1 participated. Participation in a local regulatory proceeding shall consist of
2 offering, through oral or written testimony, evidence or a statement of concern
3 related to the subject of the proceeding. An appeal from a decision of the
4 appropriate municipal panel, or from a decision of the municipal legislative
5 body under subsection 4415(d) of this title, shall be taken in such manner as
6 the Supreme Court may by rule provide for appeals from State agencies
7 governed by 3 V.S.A. §§ 801–816, unless the decision is an appropriate
8 municipal panel decision ~~which~~ that the municipality has elected to be subject
9 to review on the record.

10 * * *

11 Sec. 20. 10 V.S.A. § 8504 is amended to read:

12 § 8504. APPEALS TO THE ENVIRONMENTAL DIVISION

13 * * *

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

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

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

4 (3) if a District Commission issues a partial decision under subsection
5 6086(b) of this title, any appeal of that decision must be taken within 30 days
6 of the date of that decision; and

7 (4) it shall be the goal of the Environmental Division to hear a case
8 regarding appeals of an appropriate municipal panel under 24 V.S.A. chapter
9 117 within 60 days following the case being filed with the Division and issue a
10 decision within 90 days following the close of the hearing on the case.

11 * * *

12 Sec. 21. SUPERIOR COURT; POSITION; APPROPRIATION

13 (a) There is established one permanent judge in the Superior Court in fiscal
14 year 2025.

15 (b) In fiscal year 2025, \$168,000.00 General Fund is appropriated to the
16 Superior Court for the new judge created in subsection (a) of this section.

17 * * * Downtown Tax Credits * * *

18 Sec. 22. 32 V.S.A. § 5930ee is amended to read:

19 § 5930ee. LIMITATIONS

20 Beginning in fiscal year 2010 and thereafter, the State Board may award tax
21 credits to all qualified applicants under this subchapter, provided that:

1 (1) the total amount of tax credits awarded annually, together with sales
2 tax reallocated under section 9819 of this title, does not exceed ~~\$3,000,000.00~~
3 \$5,000,000.00;

4 * * *

5 * * * New Act 250 Tiers * * *

6 Sec. 23. 10 V.S.A. § 6001 is amended to read:

7 § 6001. DEFINITIONS

8 As used in this chapter:

9 * * *

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

11 * * *

12 (vi) The construction of improvements for commercial, industrial,
13 or residential use at or above the elevation of 2,500 feet or within a Tier 3 area.

14 * * *

15 (xii) The construction of a road, roads, driveway, or driveways,
16 which in combination is greater than 2,000 feet and any single road or
17 driveway is greater than 1,000 feet, to provide access to or within a tract or
18 tracts of land of more than one acre owned or controlled by a person.

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

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

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

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

13 (III) For the purpose of determining the length under this
14 subdivision (xii), the length of all roads and driveways within the tract or tracts
15 of land constructed within any continuous period of 10 years after October 1,
16 2024 shall be included.

17 (IV) This subdivision (xii) shall not apply to

18 (aa) a road constructed for a municipal, county, or State
19 purpose; a utility corridor of an electric transmission or distribution company;
20 or a road located entirely within a designated area; or

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

3 * * *

4 (50) “Tier 1A” means an area as defined by the Board and mapped by a
5 municipality’s maps.

6 (51) “Tier 1B” means an area as defined by the Board and mapped by a
7 municipality’s maps.

8 (52) “Tier 2” means an area as defined by the Board and mapped by a
9 municipality’s maps.

10 (53) “Tier 3” means an area as defined by the Board and mapped by the
11 regional land use maps, that contains ecologically important natural resources.

12 Sec. 24. 10 V.S.A. § 6032 is added to read:

13 § 6032. DESIGNATION OF TIERS 1, 2, AND 3

14 (a) On or before December 15, 2024, the Board shall submit to the General
15 Assembly a report on proposed definitions for the Tiers. These definitions
16 shall address the need for a healthy vacancy rate and the conservation goals
17 established in 10 V.S.A. chapter 89. In developing the definitions, the Board
18 shall conduct a public engagement process with a broad spectrum of
19 Vermonters, including a focus on engaging renters, unhoused persons, and
20 historically marginalized groups to hear input and receive feedback on the
21 proposed Tiers.

1 (b) On or before October 1, 2025, the Board shall adopt guidance on the
2 process for designating Tiers 1, 2, and 3. The guidance shall at a minimum
3 include provisions for the following:

4 (1) Municipalities develop the application for designation and proposed
5 maps of the areas and submit it to the regional planning commission for
6 comment and approval. The regional planning commission shall then review
7 the proposal to ensure it is consistent with the regional plan, and provide
8 additional technical input and advice as needed to improve the application.

9 (2) If the regional planning commission concurs with the municipality’s
10 application, the municipality would submit the application to the Board for
11 approval. During this review, the regional planning commission’s concurrence
12 would create a presumption that the application is consistent with the regional
13 plan

14 (3) If the regional planning commission raises objections to the
15 municipality’s application, the municipality may choose to rework the
16 application and resubmit it to the regional planning commission or go ahead
17 and submit the application for review by the Board without regional planning
18 commission approval. In the later instance, the municipality would have to
19 demonstrate to the Board that the application is consistent with the regional
20 plan and explain why it chose not to rework its application.

1 (4) The Board would oversee a public review process, provide
2 opportunities for comment, and then issue a determination on the application.

3 (5) There shall be a process before the Board for challenging
4 designation decisions at the time of the certification or recertification.

5 (c) The Board’s guidance shall establish qualifications for Tier 1, which
6 shall at a minimum include:

7 (1) A municipal plan that is approved in accordance with 24 V.S.A.
8 § 4350.

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

12 (3) Flood hazard and river corridor bylaws, applicable to the entire
13 municipality, that are consistent with the standards established pursuant to
14 subsection 755(b) of this title (flood hazard) and subsection 1428(b) of this
15 title (river corridor).

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

19 (5) Permitted water and wastewater systems with the capacity to support
20 additional development within the planned growth area. The municipality
21 shall have adopted consistent policies, by municipal plan and ordinance, on the

1 allocation, connection, and extension of water and wastewater lines that
2 include a defined service area to support the planned growth area.

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

4 (d) On or before October 1, 2025, the Board shall adopt guidance
5 establishing the process for designating transportation corridors. The guidance
6 shall at a minimum include provisions for the following:

7 (1) A definition of transportation corridor that includes the area within
8 100 feet of a class 2 or class 3 highway that is served by municipal sewer and
9 water infrastructure.

10 (2) Municipalities develop the application for designation of a
11 transportation corridor and proposed maps of the area and submit it to the
12 regional planning commission for comment and approval. The regional
13 planning commission shall then review the proposal to ensure it is consistent
14 with the regional plan and provide additional technical input and advice as
15 needed to improve the application.

16 (3) A regional planning commission may apply for designation of a
17 transportation corridor that spans multiple municipalities.

18 (e) On or before October 1, 2025, the Board shall adopt guidance
19 establishing the process for designating Tier 3 areas. The rules shall at a
20 minimum include provisions for the following:

1 (1) Each respective regional planning commission would recommend a
2 mapping process for identifying Tier 3 areas. This shall include a process for
3 reviewing existing maps, such as Vermont Conservation Design and other
4 available science-based resources, a process for public comment, and
5 authorization of a statewide board to review and approve Tier 3 designations.

6 (2) Each regional planning commission would be primarily responsible
7 for conducting the mapping, in consultation with municipalities, based on
8 consistent and robust standards, and with additional resources and technical
9 support from the State. The regional planning commissions would submit their
10 maps to the Board for approval through a public process, with opportunities for
11 public comment and appeal. Municipalities shall have an opportunity to
12 challenge the regional planning commission’s proposed maps if they disagree
13 with the regional planning commission’s determinations.

14 (f) The regional planning commissions shall conduct an environmental
15 justice analysis to determine if the costs and benefits of the Tiers are
16 distributed equitably within municipalities and the region.

17 (g) On or before December 1, 2026, the Board shall adopt the necessary
18 maps of Tiers.

19 Sec. 25. 24 V.S.A. § 4382 is amended to read:

20 § 4382. THE PLAN FOR A MUNICIPALITY

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

5 * * *

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

8 * * *

9 (C) Identifies those areas, if any, proposed for designation under
10 chapter 76A of this title or 10 V.S.A. § 6032, together with, for each area
11 proposed for designation, an explanation of how the designation would further
12 the plan’s goals and the goals of section 4302 of this title; and how the area
13 meets the requirements for the type of designation to be sought.

14 * * *

15 Sec. 26. 10 V.S.A. § 6081 is amended to read:

16 § 6081. PERMITS REQUIRED; EXEMPTIONS

17 * * *

18 (z) Tier exemptions.

19 (1) Notwithstanding any other provision of this chapter to the contrary,
20 no permit or permit amendment is required for any subdivision, development,

1 or change to an existing project that is located entirely within a Tier 1A area
2 designated under section 6032 of this chapter.

3 (2) Notwithstanding any other provision of this chapter to the contrary,
4 no permit or permit amendment is required for 75 units or fewer of housing
5 located entirely within a Tier 1B area or transportation corridor designated
6 under section 6032 of this chapter.

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

15 * * * Taxes * * *

16 Sec. 27. 32 V.S.A. § 9602 is amended to read:

17 § 9602. TAX ON TRANSFER OF TITLE TO PROPERTY

18 A tax is hereby imposed upon the transfer by deed of title to property
19 located in this State, or a transfer or acquisition of a controlling interest in any
20 person with title to property in this State. The amount of the tax equals one

1 and one-quarter percent of the value of the property transferred, or \$1.00,
2 whichever is greater, except as follows:

3 (1) With respect to the transfer of property to be used for the principal
4 residence of the transferee, the tax shall be imposed at the rate of five-tenths of
5 one percent of the first \$100,000.00 in value of the property transferred and at
6 the rate of one and one-quarter percent of the value of the property transferred
7 in excess of \$100,000.00; except that no tax shall be imposed on the first
8 ~~\$110,000.00~~ \$150,000.00 in value of the property transferred if the purchaser
9 obtains a purchase money mortgage funded in part with a homeland grant
10 through the Vermont Housing and Conservation Trust Fund or that the
11 Vermont Housing and Finance Agency or U.S. Department of Agriculture and
12 Rural Development has committed to make or purchase; and tax at the rate of
13 one and one-quarter percent shall be imposed on the value of that property in
14 excess of ~~\$110,000.00~~ \$150,000.00.

15 * * *

16 (4) With respect to the transfer of residential property that will not be
17 used as the principal residence of the transferee, and for which the transferee
18 will not be required to provide a landlord certificate pursuant to section 6069
19 of this title, the tax shall be imposed at the rate of two and one-half percent of
20 the value of the property transferred.

21 Sec. 28. 10 V.S.A. § 312 is amended to read:

1 § 312. CREATION OF VERMONT HOUSING AND CONSERVATION

2 TRUST FUND

3 There is created a special fund in the State Treasury to be known as the
4 “Vermont Housing and Conservation Trust Fund.” The Fund shall be
5 administered by the Board and expenditures therefrom shall only be made to
6 implement and effectuate the policies and purposes of this chapter. The Fund
7 shall be ~~comprised~~ composed of 60 percent of the revenue collected under
8 32 V.S.A. § 9602(a)(4), 50 percent of the revenue from the property transfer
9 tax under 32 V.S.A. chapter 234 all other subdivisions of 32 V.S.A. § 9602(a),
10 and any monies from time to time appropriated to the Fund by the General
11 Assembly or received from any other source, private or public, approved by
12 the Board. Unexpended balances and any earnings shall remain in the Fund
13 for use in accord with the purposes of this chapter.

14 Sec. 29. 24 V.S.A. § 4306(a) is amended to read:

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

18 (2) The Fund shall be composed of 23.5 percent of the revenue collected
19 under 32 V.S.A. § 9602(a)(4), 17 percent of the revenue from the property
20 transfer tax under 32 V.S.A. chapter 234 all other subdivisions of 32 V.S.A.
21 § 9602 (a), and any monies from time to time appropriated to the Fund by the

1 General Assembly or received from any other source, private or public. All
2 balances at the end of any fiscal year shall be carried forward and remain in the
3 Fund. Interest earned by the Fund shall be deposited in the Fund.

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

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

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

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

12 Sec. 30. 32 V.S.A. § 435(b) shall be amended to read:

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

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

16 (2) [Repealed.]

17 (3) [Repealed.]

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

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

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

1 (7) 69 percent of the meals and rooms taxes levied pursuant to chapter
2 225 of this title;

3 (8) [Repealed.]

4 (9) [Repealed.]

5 (10) 16.5 percent of the revenue collected under subdivision 9602(a)(4)
6 of this title, 33 percent of the revenue from ~~the property transfer taxes levied~~
7 ~~pursuant to chapter 231 of this title~~ all other subdivisions of 9602(a) of this
8 title, and the revenue from the gains taxes levied each year pursuant to chapter
9 236 of this title; and

10 (11) [Repealed.]

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

14 Sec. 31. 32 V.S.A. § 9610 is amended to read:

15 § 9610. REMITTANCE OF RETURN AND TAX; INSPECTION OF

16 RETURNS

17 * * *

18 (c) Prior to distributions of property transfer tax revenues under 10 V.S.A.
19 § 312, 24 V.S.A. § 4306(a), and subdivision 435(b)(10) of this title, two
20 percent of the revenues received from the property transfer tax shall be

1 deposited in a special fund in the Department of Taxes for Property Valuation
2 and Review administration costs.

3 (d)(1) Prior to any distribution of property transfer tax revenue under 10
4 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and
5 ~~subsection~~ subsections (c) and (e) of this section, \$2,500,000.00 of the revenue
6 received from the property transfer tax shall be transferred to the Vermont
7 Housing Finance Agency to pay the principal of and interest due on the bonds,
8 notes, and other obligations authorized to be issued by the Agency pursuant to
9 10 V.S.A. § 621(22), the proceeds of which the Vermont Housing and
10 Conservation Board shall use to create affordable housing pursuant to 10
11 V.S.A. § 314.

12 (2) As long as the bonds, notes, and other obligations incurred pursuant
13 to subdivision (1) of this subsection remain outstanding, the rate of tax
14 imposed pursuant to section 9602 of this title shall not be reduced below a rate
15 estimated, at the time of any reduction, to generate annual revenues of at least
16 \$12,000,000.00.

17 (e) 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 (c) of this section, \$2,000,000.00 of the revenue received from the
20 property transfer tax shall be transferred to the Act 250 Permit Fund
21 established under 10 V.S.A. § 6029. Prior to a transfer under this subsection,

1 the Commissioner shall adjust the amount transferred according to the percent
2 change in the Bureau of Labor Statistics Consumer Price Index for All Urban
3 Consumers (CPI-U) by determining the increase or decrease, to the nearest
4 one-tenth of a percent, for the month ending on June 30 in the calendar year
5 one year prior to the first day of the fiscal year for which the transfer will be
6 made compared to the CPI-U for the month ending on June 30 in the calendar
7 year two years prior to the first day of the fiscal year for which the transfer will
8 be made.

9 Sec. 32. 10 V.S.A. § 6029 is amended to read:

10 § 6029. ACT 250 PERMIT FUND

11 There is hereby established a special fund to be known as the Act 250
12 Permit Fund for the purposes of implementing the provisions of this chapter.
13 ~~Revenues to the fund~~ The Fund shall be composed of the revenue deposited
14 pursuant to 32 V.S.A. § 9610(e), those fees collected in accordance with
15 section 6083a of this title, gifts, appropriations, and copying and distribution
16 fees. The Board shall be responsible for the Fund and shall account for
17 revenues and expenditures of the Board. At the Commissioner’s discretion, the
18 Commissioner of Finance and Management may anticipate amounts to be
19 collected and may issue warrants based thereon for the purposes of this section.
20 Disbursements from the Fund shall be made through the annual appropriations
21 process to the Board and to the Agency of Natural Resources to support those

1 programs within the Agency that directly or indirectly assist in the review of
2 Act 250 applications. This Fund shall be administered as provided in 32
3 V.S.A. chapter 7, subchapter 5.

4 Sec. 33. 32 V.S.A. § 3800(q) is added to read:

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

8 Sec. 34. 32 V.S.A. chapter 125, subchapter 3 is added to read:

9 Subchapter 3. New Construction or Rehabilitation Exemption

10 § 3870. DEFINITIONS

11 As used in this subchapter:

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

14 (2) “Appraisal value” has the same meaning as in subdivision
15 3481(1)(A) of this title.

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

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

19 (5) “Principal residence” means the dwelling occupied by a resident
20 individual as the individual’s domicile during the taxable year and for a

1 property owner, owned, or for a renter, rented under a rental agreement other
2 than a short-term rental as defined under 18 V.S.A. § 4301(a)(14).

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

6 (i) results in new or rehabilitated dwellings that are designed to be
7 occupied as principal residences and not as short-term rentals as defined under
8 18 V.S.A. § 4301(a)(14); and

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

12 (B) “Qualifying improvement” does not mean new construction or a
13 physical change to any portion of a mixed-use building as defined under
14 10 V.S.A. § 6001(28) that is not used as a principal residence.

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

16 (i) located within a designated downtown district, village center,
17 or neighborhood development area determined pursuant to 24 V.S.A. chapter
18 76A or a new market tax credit area determined pursuant to 26 U.S.C. § 45D,
19 or both;

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

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

3 and

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

6 § 6001(27);

7 (iii) undergoing, has undergone, or will undergo qualifying
8 improvements; and

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

10 (B) “Qualifying property” may have a mixed use as defined under
11 10 V.S.A. § 6001(28).

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

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

19 (A) is for the purpose of eliminating substandard structural, housing,
20 or unsanitary conditions or stopping significant deterioration of the existing
21 structure; and

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

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

5 § 3871. EXEMPTION

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

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

1 (c) Municipal property tax exemption. If the legislative body of a
2 municipality by a majority vote recommends, the voters of a municipality may,
3 at an annual or special meeting warned for that purpose, adopt by a majority
4 vote of those present and voting an exemption from municipal property tax for
5 the value of qualifying improvements to qualifying property exempt from State
6 property taxation under subsection (b) of this section. The municipal
7 exemption shall remain in effect until rescinded in the same manner the
8 exemption was adopted. Not later than 30 days after the adjournment of a
9 meeting at which a municipal exemption is adopted or rescinded under this
10 subsection, the town clerk shall report to the Director of Property Valuation
11 and Review and the Agency the date on which the exemption was adopted or
12 rescinded.

13 (d) Exemption period.

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

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

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

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

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

12 § 3872. ADMINISTRATION AND CERTIFICATION

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

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

20 (2) the certification shall include an attestation under the pains and
21 penalties of perjury that the property will be used in the manner provided under

1 this subchapter during the exemption period, including occupancy of dwellings
2 as principal residences and not as short-term rentals as defined under 18 V.S.A.
3 § 4301(a)(14), and that the property owner will either provide alternative
4 housing for tenants at the same rent or that the property has been unoccupied
5 either by a tenant’s choice or for 60 days prior to the application. A
6 certification by the property owner granted under this subdivision shall:

7 (A) be coextensive with the exemption period;

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

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

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

15 (b) The Agency shall establish and make available application forms and
16 procedures necessary to verify initial and ongoing eligibility for exemption
17 under this subchapter. Not later than 60 days after receipt of a completed
18 application, the Agency shall determine whether the property and any proposed
19 improvements qualify for exemption and shall issue a written decision
20 approving or denying the exemption. The Agency shall notify the property

1 owner, the municipality where the property is located, and the Commissioner
2 of Taxes of its decision.

3 (c) If the property owner fails to use the property according to the terms of
4 the certification, the Agency shall, after notifying the property owner,
5 determine whether to revoke the exemption. If the exemption is revoked, the
6 Agency shall notify the property owner, the municipality where the property is
7 located, and the Commissioner of Taxes. Upon notification of revocation, the
8 Commissioner shall assess to the property owner:

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

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

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

16 Sec. 35. 32 V.S.A. § 4152(a) is amended to read:

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

20 * * *

1 (6) For those parcels that are exempt, the insurance replacement value
 2 reported to the local assessing officials by the owner under section 3802a of
 3 this title or what the full listed value of the property would be absent the
 4 exemption and the statutory authority for granting such exemption and, for
 5 properties exempt pursuant to a vote, the year in which the exemption became
 6 effective and the year in which the exemption ends; provided that, for parcels
 7 exempt under chapter 125, subchapter 3 of this title, the insurance replacement
 8 value shall not be substituted for the full listed value of the property absent the
 9 exemption and the grand list shall indicate whether the exemption applies to
 10 the State property tax or both the State and municipal property taxes.

* * *

11
 12 Sec. 36. REPEALS; NEW CONSTRUCTION OR REHABILITATION
 13 EXEMPTION

14 The following are repealed on July 1, 2037:

- 15 (1) 32 V.S.A. § 3800(q) (statutory purpose); and
- 16 (2) 32 V.S.A. chapter 125, subchapter 3 (new construction or
- 17 rehabilitation exemption).

18 Sec. 37. 32 V.S.A. § 4152(a) is amended to read:

- 19 (a) When completed, the grand list of a town shall be in such form as the
- 20 Director prescribes and shall contain such information as the Director
- 21 prescribes, including:

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* * *

(6) For those parcels that are exempt, the insurance replacement value reported to the local assessing officials by the owner under section 3802a of this title or what the full listed value of the property would be absent the exemption and the statutory authority for granting such exemption and, for properties exempt pursuant to a vote, the year in which the exemption became effective and the year in which the exemption ends; ~~provided that, for parcels exempt under chapter 125, subchapter 3 of this title, the insurance replacement value shall not be substituted for the full listed value of the property absent the exemption and the grand list shall indicate whether the exemption applies to the State property tax or both the State and municipal property taxes.~~

Sec. 38. 32 V.S.A. § 9603 is amended to read:

§ 9603. EXEMPTIONS

The following transfers are exempt from the tax imposed by this chapter:

* * *

(27)(A) Transfers of blighted dwellings that the transferee certifies will be rehabilitated for occupancy as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14), provided the rehabilitation is completed and occupied not later than three years after the date of the transfer. If, three years after the date of transfer, the rehabilitation has not been

1 completed and occupied, then the tax imposed by this chapter shall become
2 due.

3 (B) As used in this subdivision (27):

4 (i) “Blighted” means substandard structural or housing conditions,
5 including unsanitary and unsafe dwellings and deterioration sufficient to
6 constitute a threat to human health, safety, and public welfare.

7 (ii) “Completed” means rehabilitation of a dwelling to be fit for
8 occupancy as a principal residence.

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

13 (iv) “Rehabilitation” means extensive repair, reconstruction, or
14 renovation of an existing dwelling beyond normal and ordinary maintenance,
15 painting, repairs, or replacements, with or without demolition, new
16 construction, or enlargement.

17 Sec. 39. 32 V.S.A. § 5811(21)(C) is amended to read:

18 (C) decreased by the following exemptions and deductions:

19 * * *

20 (iv) an amount equal to the itemized deduction for medical
21 expenses taken at the federal level by the taxpayer, under 26 U.S.C. § 213:

1 (2) The Department shall develop statewide standards for the Program,
2 including factors that partner organizations shall use to evaluate applications
3 and award ~~grants and~~ forgivable loans.

4 (3) A landlord shall not offer a unit created through the Program as a
5 short-term rental, as defined in 18 V.S.A. § 4301, for the period a grant or loan
6 agreement is in effect.

7 (4) The Department may utilize a reasonable percentage of
8 appropriations made to the Department for the Program to administer the
9 Program.

10 (5) The Department may cooperate with and subgrant funds to State
11 agencies and political subdivisions and public and private organizations in
12 order to carry out the purposes of this subsection.

13 (b) Eligible rental housing units. The following units are eligible for a
14 ~~grant or~~ forgivable loan through the Program:

15 (1) Non-code compliant.

16 (A) The unit is an existing unit, whether or not occupied, that does
17 not comply with the requirements of applicable building, housing, or health
18 laws.

19 (B) If the unit is occupied, the ~~grant or~~ forgivable loan agreement
20 shall include terms:

21 * * *

1 (d) Program requirements applicable to grants and forgivable loans.

2 (1)(A) A ~~grant or~~ loan shall not exceed:

3 (i) \$70,000.00 per unit, for any unit converted from commercial to
4 residential purposes; or

5 (ii) \$50,000.00 per unit, for any other eligible rental housing unit.

6 (B) In determining the amount of a ~~grant or~~ loan, a housing
7 organization shall consider the number of bedrooms in the unit and whether the
8 unit is being rehabilitated or newly created.

9 * * *

10 (e) Program requirements applicable to grants and five-year forgivable
11 loans. For a grant or five-year forgivable loan awarded through the Program,
12 the following requirements apply for a minimum period of five years:

13 * * *

14 (4)(A) A landlord may convert a grant to a forgivable loan upon
15 approval of the Department and the housing organization that approved the
16 grant.

17 (B) A landlord who converts a grant to a forgivable loan shall receive
18 a ~~10 percent~~ prorated credit for loan forgiveness for each year in which the
19 landlord participates in the ~~grant~~ program.

1 (f) Requirements applicable to 10-year forgivable loans. For a 10-year
2 forgivable loan awarded through the Program, the following requirements
3 apply for a minimum period of 10 years:

4 * * *

5 Sec. 41. VERMONT RENTAL HOUSING IMPROVEMENT

6 APPROPRIATION

7 The sum of \$5,000,000.00 is appropriated from the General Fund to the
8 Department of Housing and Community Development in fiscal year 2025 for
9 the Vermont Housing Improvement Program established in 10 V.S.A. § 699.

10 Sec. 42. HEALTHY HOMES INITIATIVE APPROPRIATION

11 The sum of \$1,000,000.00 is appropriated from the General Fund to the
12 Department of Environmental Conservation in fiscal year 2025 for the Healthy
13 Homes Initiative.

14 Sec. 43. 2023 Acts and Resolves No. 47, Sec. 36 is amended to read:

15 Sec. 36. MIDDLE-INCOME HOMEOWNERSHIP DEVELOPMENT
16 PROGRAM

17 * * *

18 (d) The total amount of subsidies for a project shall not exceed 35 percent
19 of eligible development costs, as determined by the Agency, ~~which the~~ at the
20 time of approval of the project, unless the Agency later determines that the
21 project will not result in affordable owner-occupied housing for income-

1 eligible homebuyers without additional subsidy, in which case the Agency
2 may, at its discretion, reasonably exceed this limitation and only to the extent
3 required to achieve affordable owner-occupied housing. The Agency may
4 shall allocate subsidies consistent with the following:

5 (1) Developer subsidy. The Agency may provide a direct subsidy to the
6 developer, which shall not exceed the difference between the cost of
7 development and the market value of the home as completed.

8 (2) Affordability subsidy. Of any remaining amounts available for the
9 project after the developer subsidy, the Agency may provide a subsidy for the
10 benefit of the homebuyer to reduce the cost of purchasing the home, provided
11 that:

12 (A) the Agency includes conditions in the subsidy; agreement or uses
13 another legal mechanism; to ensure that, ~~to the extent the home value has risen,~~
14 ~~the amount of the subsidy~~ upon sale of the home, to the extent proceeds are
15 available, the amount of the affordability subsidy either:

16 (i) remains with the home to offset the cost to future homebuyers;
17 or

18 (ii) is recaptured by the Agency upon sale of the home for use in a
19 similar program to support affordable homeownership development; or

1 (B) the subsidy is subject to a housing subsidy covenant, as defined
2 in 27 V.S.A. § 610, that preserves the affordability of the home for a period of
3 99 years or longer.

4 (3) The Agency shall allocate not less than 33 percent of the funds
5 available through the Program to projects that include a housing subsidy
6 covenant consistent with subdivision (2)(B) of this subsection.

7 * * *

8 (f)(1) When implementing the Program, the Agency shall consult
9 stakeholders and experts in the field.

10 (2) The Program shall include:

11 (A) a streamlined and appropriately scaled application process;

12 (B) an outreach and education plan, including specific tactics to reach
13 and support eligible applicants, especially those from underserved regions or
14 sectors;

15 (C) an equitable system for distributing investments statewide on the
16 basis of need according to a system of priorities that includes consideration of:

17 (i) geographic distribution;

18 (ii) community size;

19 (iii) community economic need; and

1 (iv) whether an application has already received an investment or
2 is from an applicant in a community that has already received Program
3 funding.

4 ~~(3) The Agency shall use its best efforts to ensure:~~

5 ~~(A) that investments awarded are targeted to the geographic~~
6 ~~communities or regions with the most pressing economic and employment~~
7 ~~needs; and~~

8 ~~(B) that the allocation of investments provides equitable access to the~~
9 ~~benefits to all eligible geographical areas.~~

10 * * *

11 Sec. 44. REPEAL

12 2023 Acts and Resolves No. 47, Sec. 37 (middle-income homeownership;
13 implementation) is repealed.

14 Sec. 45. APPROPRIATION; MIDDLE-INCOME HOMEOWNERSHIP
15 DEVELOPMENT PROGRAM

16 The sum of \$10,000,000.00 is appropriated from the General Fund to the
17 Department of Housing and Community Development to grant to the Vermont
18 Housing Finance Agency in fiscal year 2025 for the Middle-Income
19 Homeownership Development Program established by 2022 Acts and Resolves
20 No. 182, Sec. 11, and amended from time to time.

1 Sec. 46. APPROPRIATION; VERMONT HOUSING CONSERVATION
2 BOARD; PERPETUALLY AFFORDABLE HOUSING

3 The sum of \$40,000,000.00 is appropriated from the General Fund to the
4 Vermont Housing Conservation Board in fiscal year 2025 for the following
5 purposes:

6 (1) to provide support and enhance capacity for the production and
7 preservation of affordable rental housing and homeownership units, including
8 support for manufactured home communities, permanent homes for those
9 experiencing homelessness, recovery residences, and housing available to farm
10 workers and refugees; and

11 (2) to fund the construction and preservation of emergency shelter for
12 households experiencing homelessness.

13 Sec. 47. APPROPRIATION; RENTAL HOUSING STABILIZATION
14 SERVICES

15 The sum of \$400,000.00 is appropriated from the General Fund to the
16 Office of Economic Opportunity within the Department for Children and
17 Families in fiscal year 2025 for a grant to the Champlain Valley Office of
18 Economic Opportunity for the Rental Housing Stabilization Services Program
19 established by 2023 Acts and Resolves No. 47, Sec. 43.

20 Sec. 48. APPROPRIATION; TENANT REPRESENTATION PILOT
21 PROGRAM

1 The sum of \$1,025,000.00 is appropriated from the General Fund to the
2 Agency of Human Services in fiscal year 2025 for a grant to Vermont Legal
3 Aid for the Tenant Representation Pilot Program established by 2023 Acts and
4 Resolves No. 47, Sec. 44.

5 Sec. 49. APPROPRIATION; RENT ARREARS ASSISTANCE FUND

6 The sum of \$2,500,000.00 is appropriated from the General Fund to the
7 Vermont State Housing Authority in fiscal year 2025 for the Rent Arrears
8 Assistance Fund established by 2023 Acts and Resolves No. 47, Sec. 45.

9 Sec. 50. APPROPRIATION; LANDLORD RELIEF PROGRAM

10 The sum of \$1,100,000.00 is appropriated from the General Fund to the
11 Vermont State Housing Authority in fiscal year 2025 for the Landlord Relief
12 Program to assist landlords eligible to access relief due to participation in the
13 Section 8 project-based voucher program.

14 Sec. 51. APPROPRIATION; FIRST GENERATION HOMEBUYER
15 PROGRAM

16 The sum of \$1,000,000.00 is appropriated from the General Fund to the
17 Department of Housing and Community Development in fiscal year 2025 for a
18 grant to the Vermont Housing Finance Agency for the First-Generation
19 Homebuyer Program established by 2022 Acts and Resolves No. 182, Sec. 2,
20 and amended from time to time.

21 * * * Rental Data Collection and Protection * * *

1 Sec. 52. 32 V.S.A. § 6069 is amended to read:

2 § 6069. LANDLORD CERTIFICATE

3 (a) On or before January 31 of each year, the owner of land rented as a
4 portion of a homestead in the prior calendar year shall furnish a certificate of
5 rent to the Department of Taxes and to each claimant who owned a portion of
6 the homestead and rented that land as a portion of a homestead in the prior
7 calendar year. The certificate shall indicate the proportion of total property tax
8 on that parcel that was assessed for municipal property tax and for statewide
9 property tax.

10 (b) The owner of each rental property shall, on or before January 31 of each
11 year, furnish a certificate of rent to the Department of Taxes.

12 (c) A certificate under this section shall be in a form prescribed by the
13 Commissioner and shall include the following:

14 (1) the name of the renter;

15 (2) the address and any property tax parcel identification number of the
16 homestead, ~~the information required under subsection (f) of this section;~~

17 (3) the name of the owner or landlord of the rental unit;

18 (4) the phone number, e-mail address, and mailing address of the
19 landlord, as available;

20 (5) the location of the rental unit;

21 (6) the type of rental unit;

- 1 (7) the number of rental units in the building;
2 (8) the gross monthly rent per unit;
3 (9) the year in which the rental unit was built;
4 (10) the ADA accessibility of the rental unit; and
5 (11) any additional information that the Commissioner determines is
6 appropriate.

7 (d) An owner who knowingly fails to furnish a certificate to the
8 Department as required by this section shall be liable to the Commissioner for
9 a penalty of \$200.00 for each failure to act. Penalties under this subsection
10 shall be assessed and collected in the manner provided in chapter 151 of this
11 title for the assessment and collection of the income tax.

12 (e) [Repealed.]

13 (f) ~~Annually on or before October 31, the Department shall prepare and~~
14 ~~make available to a member of the public upon request a database in the form~~
15 ~~of a sortable spreadsheet that contains the following information for each rental~~
16 ~~unit for which the Department received a certificate pursuant to this section:~~

- 17 ~~(1) name of owner or landlord;~~
18 ~~(2) mailing address of landlord;~~
19 ~~(3) location of rental unit;~~
20 ~~(4) type of rental unit;~~
21 ~~(5) number of units in building; and~~

1 payments, deficiencies, or over-assessments; and any other data, from any
2 source, furnished to or prepared or collected by the Department of Taxes with
3 respect to any person.

4 * * *

5 (d) The Commissioner shall disclose a return or return information:

6 * * *

7 (7) to the Joint Fiscal Office pursuant to subsection 10503(e) of this title
8 and subject to the conditions and limitations specified in that subsection; ~~and~~

9 (8) to the Attorney General; the Data Clearinghouse established in the
10 October 2017 Non-Participating Manufacturer Adjustment Settlement
11 Agreement, which the State of Vermont joined in 2018; the National
12 Association of Attorneys General; and counsel for the parties to the Agreement
13 as required by the Agreement and to the extent necessary to comply with the
14 Agreement and only as long as the State is a party to the Agreement; and

15 (9) annually on or before March 31, provided the disclosure relates to
16 the information collected on the landlord certificate pursuant to subsection
17 6069(c) of this title, to:

18 (A) the Division of Vermont Emergency Management at the
19 Department of Public Safety for the purpose of emergency management and
20 communication; and

1 (B) the Department of Housing and Community Development and
2 any organization then under contract with the Department of Housing and
3 Community Development to carry out a statewide housing needs assessment
4 for the purpose of the statewide housing needs assessment.

5 * * * Short-Term Rentals * * *

6 Sec. 54. 20 V.S.A. § 2676 is amended to read:

7 § 2676. DEFINITION

8 As used in this chapter,:

9 (1) ~~“rental~~ Rental housing” means:

10 ~~(A)~~ a “premises” as defined in 9 V.S.A. § 4451 that is subject to 9
11 V.S.A. chapter 137 (residential rental agreements); and

12 ~~(B)~~ a “short-term rental” ~~as defined in 18 V.S.A. § 4301 and~~
13 subject to 18 V.S.A. chapter 85, subchapter 7.

14 (2) “Short-term rental” has the same meaning as in 18 V.S.A. § 4301.

15 Sec. 55. 20 V.S.A. § 2678 is added to read:

16 § 2678. SHORT-TERM RENTALS; HEALTH AND SAFETY

17 DISCLOSURE

18 (a) The Department of Public Safety’s Division of Fire Safety shall prepare
19 concise guidance on the rules governing health, safety, sanitation, and fitness
20 for habitation of short-term rentals in this State and provide the guidance to

1 any online platform or travel agent hosting or facilitating the offering of a
2 short-term rental in this State.

3 (b) Any online platform or travel agent hosting or facilitating the offering
4 of a short-term rental in this State shall make available the guidance under
5 subsection (a) of this section to a short-term rental operator in this State.

6 (c) A short-term rental operator shall:

7 (1) physically post the guidance under subsection (a) of this section in a
8 conspicuous place in any short-term rental offered for rent in this State; and

9 (2) provide the guidance under subsection (a) of this section as part of
10 any offering or listing of a short-term rental in this State.

11 * * * Flood Risk Disclosure * * *

12 Sec. 56. 27 V.S.A. § 380 is added to read:

13 § 380. DISCLOSURE OF INFORMATION; CONVEYANCE OF REAL
14 ESTATE

15 (a) Prior to or as part of a contract for the conveyance of real property, the
16 seller shall provide notice to the buyer whether the property is subject to any
17 requirement under federal law to obtain and maintain flood insurance on the
18 property. This notice shall be provided in a clear and conspicuous manner in a
19 separate written document and attached as an addendum to the contract.

20 (b) The failure of the seller to provide the buyer with the information
21 required under subsection (a) of this section is grounds for the buyer to

1 terminate the contract prior to transfer of title or occupancy, whichever occurs
2 earlier.

3 (c) A buyer of real estate who fails to receive the information required to be
4 disclosed by a seller under subsection (a) of this section may bring an action to
5 recover from the seller the amount of the buyer’s damages and reasonable
6 attorney’s fees. The buyer may also seek punitive damages when the seller
7 knowingly failed to provide the required information.

8 (d) A seller shall not be liable for damages under this section for any error,
9 inaccuracy, or omission of any information required to be disclosed to the
10 buyer under subsection (a) of this section when the error, inaccuracy, or
11 omission was based on information provided by a public body or a by another
12 person with a professional license or special knowledge who provided a
13 written report that the seller reasonably believed to be correct and that was
14 provided by the seller to the buyer.

15 (e) Noncompliance with the requirements of this section shall not affect the
16 marketability of title of a real property.

17 Sec. 57. 9 V.S.A. § 4466 is added to read:

18 § 4466. REQUIRED DISCLOSURE

19 A landlord shall disclose in advance of entering a rental agreement with a
20 tenant whether any portion of the premises offered for rent is located in a
21 Federal Emergency Management Agency mapped flood hazard area. This

1 notice shall be provided in a separate written document given to the tenant at
2 or before execution of the lease.

3 Sec. 58. 10 V.S.A. § 6236(e) is amended to read:

4 (e) All mobile home lot leases shall contain the following:

5 * * *

6 (8) Notice that the mobile home park is in a flood hazard area if any lot
7 within the mobile home park is wholly or partially located in a flood hazard
8 area according to the flood insurance rate map effective for the mobile home
9 park at the time the proposed lease is furnished to a prospective leaseholder.
10 This notice shall be provided in a clear and conspicuous manner in a separate
11 written document attached as an addendum to the proposed lease.

12 Sec. 59. 10 V.S.A. § 6201 is amended to read:

13 § 6201. DEFINITIONS

14 As used in this chapter, ~~unless the context requires otherwise:~~

15 * * *

16 (13) “Flood hazard area” has the same meaning as in section 752 of this
17 title.

18 (14) “Flood insurance rate map” means, for any mobile home park, the
19 official flood insurance rate map describing that park published by the Federal
20 Emergency Management Agency on its website.

21 * * * Mobile Homes * * *

1 Sec. 60. 2022 Acts and Resolves No. 182, Sec. 3, as amended by 2023 Acts
2 and Resolves No. 3, Sec. 75 and 2023 Acts and Resolves No. 78, Sec. C.119,
3 is further amended to read:

4 Sec. 3. MANUFACTURED HOME IMPROVEMENT AND
5 REPLACEMENT PROGRAM

6 (a) Of the amounts available from the American Rescue Plan Act (ARPA)
7 recovery funds, \$4,000,000 is appropriated to the Department of Housing and
8 Community Development for the purposes specified:

9 * * *

10 (b) The Department administers the Manufactured Home Improvement and
11 Repair Program and may utilize a reasonable percentage of appropriations
12 made to the Department for the Program to administer the Program. The
13 Department may cooperate with and subgrant funds to State agencies and
14 political subdivisions and public and private organizations in order to carry out
15 the purposes of subsection (a) of this section.

16 Sec. 61. MANUFACTURED HOME IMPROVEMENT AND REPAIR
17 PROGRAM APPROPRIATIONS; INFRASTRUCTURE; MOBILE
18 HOME REPAIR

19 The sum of \$2,000,000.00 is appropriated from the General Fund to the
20 Department of Housing and Community Development in fiscal year 2025 for
21 the following purposes:

1 (1) to improve mobile home park infrastructure under the Manufactured
2 Home Improvement and Repair Program established by 2022 Acts and
3 Resolves No. 182, Sec. 3, and amended from time to time; and

4 (2) to expand the Home Repair Awards program under the
5 Manufactured Home Improvement and Repair Program established by 2022
6 Acts and Resolves No. 182, Sec. 3, and amended from time to time.

7 Sec. 62. MOBILE HOME TECHNICAL ASSISTANCE APPROPRIATION

8 (a) The sum of \$700,000.00 is appropriated from the General Fund to the
9 Department of Housing and Community Development for a subgrant to the
10 Champlain Valley Office of Economic Opportunity in fiscal year 2025 to fund
11 the Mobile Home Park Technical Assistance Services Team, including
12 administration and direct project administration costs, such as advertising,
13 background check fees, office supplies, postage, staff mileage liability
14 insurance, training, service contracts, rent, utilities, telephone, space
15 maintenance, and staffing.

16 (b) The sum of \$300,000.00 is appropriated from the General Fund to the
17 Department of Housing and Community Development for a subgrant to the
18 Champlain Valley Office of Economic Opportunity in fiscal year 2025 to fund
19 individual resident emergency grants accessible to all income-eligible mobile
20 homeowners statewide to prevent loss of housing, remediate unsafe housing,

1 enhance housing safety, health, and habitability issues, and provide relief from
2 the impacts of natural disaster.

3 * * * Age-Restricted Housing * * *

4 Sec. 63. 10 V.S.A. § 325c is added to read:

5 § 325c. AGE-RESTRICTED HOUSING; RIGHT OF FIRST REFUSAL

6 (a) Definitions. As used in this section:

7 (1) “Age-restricted property” means a privately owned age-restricted
8 residential property that is not licensed pursuant to 33 V.S.A. chapter 71 or 8
9 V.S.A. chapter 151.

10 (2) “Eligible buyer” means a non-profit housing provider.

11 (b)(1) Right of first refusal; assignment to eligible buyer. The Vermont
12 Housing and Conservation Board shall have a right of first refusal for age-
13 restricted properties as set out in this section. The Board may assign this right
14 to an eligible buyer.

15 (2) For any offer made under this section, the Board or its assignee shall
16 contractually commit to maintaining any affordability requirements in place for
17 the age-restricted property at the time of sale.

18 (c) Content of notice. An owner of age-restricted property shall give to the
19 Board notice by certified mail, return receipt requested, of the owner’s
20 intention to sell the age-restricted property. The requirements of this section

1 shall not be construed to restrict the price at which the owner offers the age-
2 restricted housing for sale. The notice shall state all the following:

3 (1) that the owner intends to sell the age-restricted property;

4 (2) the price, terms, and conditions under which the owner offers the
5 age-restricted property for sale;

6 (3) that for 60 days following the notice, the owner shall not make a
7 final unconditional acceptance of an offer to purchase the age-restricted
8 property and that if within the 60 days the owner receives notice pursuant to
9 subsection (d) of this section that the Board or its assignee intends to consider
10 purchase of the age-restricted property, the owner shall not make a final
11 unconditional acceptance of an offer to purchase the age-restricted property for
12 an additional 120 days, starting from the 61st day following notice, except one
13 from the Board or its assignee.

14 (d) Intent to negotiate; timetable. The Board or its assignee shall have 60
15 days following notice under subsection (c) of this section in which to
16 determine whether the buyer intends to consider purchase of the age-restricted
17 property. During this 60-day period, the owner shall not accept a final
18 unconditional offer to purchase the age-restricted property.

19 (e) Response to notice; required action. If the owner receives no notice
20 from the Board or its assignee during the 60-day period or if the Board notifies
21 the owner that neither it nor its designee intends to consider purchase of the

1 age-restricted property, the owner has no further restrictions regarding sale of
2 the age-restricted property pursuant to this section. If, during the 60-day
3 period, the owner receives notice in writing that the Board or its assignee
4 intends to consider purchase of the age-restricted property, then the owner
5 shall do all the following:

6 (1) not accept a final unconditional offer to purchase from a party other
7 than the Board or its assignee giving notice under subsection (d) of this section
8 for 120 days following the 60-day period, a total of 180 days following the
9 notice under subsection (c);

10 (2) negotiate in good faith with the Board or its assignee giving notice
11 under subsection (d) of this section; and

12 (3) consider any offer to purchase from the Board or its assignee giving
13 notice under subsection (d) of this section.

14 (f) Exceptions. The provisions of this section do not apply when the sale,
15 transfer, or conveyance of the age-restricted property is any one or more of the
16 following:

17 (1) through a foreclosure sale;

18 (2) to a member of the owner’s family or to a trust for the sole benefit of
19 members of the owner’s family;

20 (3) among the partners who own the age-restricted property;

21 (4) incidental to financing the age-restricted property;

1 (5) between joint tenants or tenants in common;

2 (6) pursuant to eminent domain; or

3 (7) pursuant to a municipal tax sale.

4 (g) Requirement for new notice of intent to sell.

5 (1) Subject to subdivision (2) of this subsection, a notice of intent to sell
6 issued pursuant to subsection (b) of this section shall be valid:

7 (A) for a period of one year from the expiration of the 60-day period
8 following the date of the notice; or

9 (B) if the owner has entered into a binding purchase and sale
10 agreement with the Board or its assignee within one year from the expiration of
11 the 60-day period following the date of the notice, until the completion of the
12 sale of the age-restricted property under the agreement or the expiration of the
13 agreement, whichever is sooner.

14 (2) During the period in which a notice of intent to sell is valid, an
15 owner shall provide a new notice of intent to sell, consistent with the
16 requirements of subsection (b) of this section, prior to making an offer to sell
17 the age-restricted property or accepting an offer to purchase the age-restricted
18 property that is either more than five percent below the price for which the
19 age-restricted property was initially offered for sale or less than five percent
20 above the final written offer from the Board or its assignee.

1 (h) “Good faith.” The Board or its assignee shall negotiate in good faith
2 with the owner for purchase of the age-restricted property.

3 Sec. 64. 9 V.S.A. § 4468a is added to read:

4 § 4468a. AGE-RESTRICTED HOUSING; RENT INCREASE; NOTICE

5 (a) Except as provided in subsection (c) of this section, an owner of
6 privately owned age-restricted residential property within the State that is not
7 licensed pursuant to 33 V.S.A. chapter 71 or 8 V.S.A. chapter 151 shall
8 provide written notification on a form provided by the Department of Housing
9 and Community Development to the Department and all the affected residents
10 of any rent increase at the property not later than 60 days before the effective
11 date of the proposed increase. The notice shall include all the following:

12 (1) the amount of the proposed rent increase;

13 (2) the effective date of the increase;

14 (3) a copy of the resident’s rights pursuant to this section; and

15 (4) the percentage of increase from the current base rent.

16 (b) If the owner fails to notify either the residents or the Department of a
17 rent increase as required by subsection (a) of this section, the proposed rent
18 increase shall be ineffective and unenforceable.

19 (c) This section shall not apply to any rent increase at any publicly
20 subsidized affordable housing that is monitored by a State or federal agency
21 for rent limitations.

* * * Reports and Studies * * *

Sec. 65. LAND BANK REPORT

(a) The Department of Housing and Community Development and the Vermont League of Cities and Towns shall analyze the feasibility of a land bank program that would identify, acquire, and restore to productive use vacant, abandoned, contaminated, and distressed properties. The Department and the League shall engage with local municipalities, regional organizations, community organizations, and other stakeholders to explore:

(1) existing authority for public interest land acquisition for redevelopment and use;

(2) successful models and best practices for land bank programs in Vermont and other jurisdictions, including local, regional, nonprofit, state, and hybrid approaches that leverage the capacities of diverse communities and organizations within Vermont;

(3) potential benefits and challenges to creating and implementing a land bank program in Vermont;

(4) alternative approaches to State and municipal land acquisition, including residual value life estates and eminent domain, for purposes of revitalization and emergency land management, including for placement of trailers and other temporary housing;

1 (5) funding mechanisms and resources required to establish and operate
2 a land bank program; and

3 (6) the legal and regulatory framework required to govern a State land
4 bank program.

5 (b) On or before December 15, 2024, the Department of Housing and
6 Community Development and the Vermont League of Cities and Towns shall
7 submit a report to the Senate Committee on Economic Development, Housing
8 and General Affairs and the House Committee on General and Housing with
9 its findings and recommendations, including proposed draft legislation for the
10 establishment and operation of a land bank.

11 Sec. 66. RENT PAYMENT REPORTING REPORT

12 (a) To facilitate the development of a pilot program for housing providers
13 to report tenant rent payments for inclusion in consumer credit reports, the
14 Office of the State Treasurer shall study:

15 (1) any entities currently facilitating landlord credit reporting;

16 (2) the number of landlords in Vermont utilizing rent payment software,
17 related software expenses, and the need for or benefit of utilizing software for
18 positive pay reporting;

19 (3) the impacts on tenants from rent payment reporting programs,
20 including, if feasible, data gathered from the Champlain Housing Trust's
21 program;

1 (4) any logistical steps the State must take to facilitate the program and
2 any associated administrative costs; and

3 (5) any other issues the Treasurer deems appropriate for facilitating the
4 development of the pilot program.

5 (b) On or before December 15, 2024, the Treasurer shall submit a report to
6 the Senate Committee on Economic Development, Housing and General
7 Affairs with its findings and recommendations, which may be in the form of
8 proposed legislation.

9 Sec. 67. LANDLORD-TENANT LAW; STUDY COMMITTEE; REPORT

10 (a) Creation. There is created the Landlord-Tenant Law Study Committee
11 to review and consider modernizing the landlord-tenant laws and evictions
12 processes in Vermont.

13 (b) Membership. The Committee is composed of the following members:

14 (1) three current members of the House of Representatives, not all from
15 the same political party, who shall be appointed by the Speaker of the House;

16 (2) three current members of the Senate, not all from the same political
17 party, who shall be appointed by the Committee on Committees;

18 (3) a representative of Vermont Legal Aid with experience defending
19 tenants in evictions actions;

20 (4) a representative of the Vermont Landlords Association;

1 (5) a representative of the Department of Housing and Community
2 Development; and

3 (6) a representative of the Judiciary.

4 (c) Powers and duties. The Committee shall study issues with Vermont’s
5 landlord-tenant laws and current evictions process, including the following
6 issues:

7 (1) whether Vermont’s landlord-tenant laws require modernization;

8 (2) the impact of evictions policies on rental housing availability;

9 (3) whether current termination notice periods and evictions processing
10 timelines reflect the appropriate balance between landlord and tenant interests;

11 (4) practical obstacles to the removal of unlawful occupants; and

12 (5) whether existing bases for termination are properly utilized,

13 including specifically 9 V.S.A. § 4467(b)(2) (termination for criminal activity,
14 illegal drug activity, or acts of violence).

15 (d) Assistance. For purposes of scheduling meetings and preparing
16 recommended legislation, the Committee shall have the assistance of the
17 Office of Legislative Operations and the Office of Legislative Counsel.

18 (e) Report. On or before December 15, 2024, the Committee shall report to
19 the Senate Committee on Economic Development, Housing and General
20 Affairs with its findings and any recommendations for legislative action, which
21 may be in the form of proposed legislation.

1 (f) Meetings.

2 (1) The ranking member of the Senate shall call the first meeting of the
3 Committee to occur on or before August 31, 2024.

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

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

7 (4) The Committee shall cease to exist upon submission of its findings
8 and any recommendations for legislative action.

9 (g) Compensation and reimbursement.

10 (1) For attendance at meetings during adjournment of the General
11 Assembly, a legislative member of the Committee serving in the member’s
12 capacity as a legislator shall be entitled to per diem compensation and
13 reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than
14 6 meetings.

15 (2) Other members of the Committee shall be entitled to per diem
16 compensation and reimbursement of expenses as permitted under 32 V.S.A.
17 § 1010 for not more than 6 meetings

18 (3) Payments to members of the Committee authorized under this
19 subsection shall be made from monies appropriated to the General Assembly.

20 * * * Effective Dates * * *

21 Sec. 68. EFFECTIVE DATES

- 1 (a) This section shall take effect on passage.
- 2 (b) Sec. 26 (10 V.S.A. § 6081) shall take effect on October 1, 2025.
- 3 (c) Notwithstanding 1 V.S.A. § 214, Sec. 39 (medical expenses deduction)
4 shall take effect retroactively on January 1, 2024 and shall apply to taxable
5 years beginning on and after January 1, 2024.
- 6 (d) Sec. 35 (grand list contents, 32 V.S.A. § 4152(a)) shall take effect on
7 July 1, 2037.
- 8 (e) All other sections shall take effect on July 1, 2024.

9

10

11

12

13 (Committee vote: _____)

14

15

Senator _____

16

FOR THE COMMITTEE