

1 H.445

2 Introduced by Representatives Cina of Burlington, Burrows of West Windsor,  
3 Carris-Duncan of Whitingham, Christie of Hartford, Cole of  
4 Hartford, LaMont of Morristown, and Logan of Burlington

5 Referred to Committee on

6 Date:

7 Subject: Conservation and development; Land Access and Opportunity Board;  
8 affordable housing; taxation; income tax

9 Statement of purpose of bill as introduced: This bill proposes to create the  
10 Land Access and Opportunity Revolving Fund to be administered by the Land  
11 Access and Opportunity Board for the purpose of supporting community based  
12 affordable housing. The bill proposes to fund the activities of the Revolving  
13 Fund through an income tax surcharge of one and one-half percent on income  
14 above \$500,000.00, which will be repealed in 2031.

15 An act relating to creating the Land Access and Opportunity Revolving  
16 Fund

17 It is hereby enacted by the General Assembly of the State of Vermont:

18 Sec. 1. PURPOSE

19 It is the intent of the Vermont General Assembly to support the human right  
20 of housing and to promote public health and community safety during recovery

1 from the COVID-19 pandemic, the polysubstance pandemic, and climate  
2 disasters by preserving affordable housing and creating new social and  
3 economic opportunities for the development and maintenance of sustainable,  
4 resilient, and affordable housing infrastructure. It is the intent of this act to  
5 focus State, municipal, and private resources on assisting tenants recovering  
6 from emergencies and on ensuring that, in the long term, Vermonters have an  
7 adequate supply of safe, affordable housing, including more opportunities for  
8 access and ownership of land and community resources.

9 Sec. 2. 32 V.S.A. § 435(b) is amended to read:

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

12 \* \* \*

13 (5) individual income taxes levied pursuant to chapter 151 of this title,  
14 except for revenue levied and transferred pursuant to subdivision 5822(a)(7) of  
15 this title;

16 \* \* \*

17 Sec. 3. 32 V.S.A. § 5822 is amended to read:

18 § 5822. TAX ON INCOME OF INDIVIDUALS, ESTATES, AND TRUSTS

19 (a) A tax is imposed for each taxable year upon the taxable income earned  
20 or received in that year by every individual estate, and trust, subject to income

1 taxation under the laws of the United States, in an amount determined by the  
2 following tables, and adjusted as required under this section.

3 \* \* \*

4 (7)(A) If the federal adjusted gross income of the taxpayer exceeds  
5 \$500,000.00, then the rate of taxation under subdivisions (1)–(6) of this  
6 subsection (a) on income over that amount shall be increased by one and one-  
7 half percent.

8 (B) Each year, on July 1, the Department of Finance and  
9 Management shall estimate the amount of revenue raised under subdivision  
10 (A) of this subdivision (7) in the prior taxable year and that same amount shall  
11 be transferred from the General Fund to the Land Access and Opportunity  
12 Revolving Fund created under 10 V.S.A. § 325w.

13 Sec. 4. 10 V.S.A. chapter 15, subchapter 5 is amended to read:

14 Subchapter 5. Land Access and Opportunity Board

15 § 325t. DEFINITIONS

16 As used in this subchapter:

17 (1) “Board” means the Vermont Land Access and Opportunity Board.

18 (2) “Fund” means the Land Access and Opportunity Revolving Fund.

19 (3) “Historically marginalized or disadvantaged community” means a  
20 community that has historically suffered from discrimination and has not had  
21 equal access to public or private economic benefits due to the race, ethnicity,

1 gender, geography, language preference, immigrant or citizen status, sexual  
2 orientation, gender identity, socioeconomic status, or disability status of its  
3 members.

4 ~~(3)~~(4) “LGBTQ” means an individual who identifies as lesbian, gay,  
5 bisexual, transgender, queer, or questioning.

6 ~~(4)~~(5) “VHCB” means the Vermont Housing and Conservation Board.

7 § 325u. VERMONT LAND ACCESS AND OPPORTUNITY BOARD

8 (a) Creation. There is created the Vermont Land Access and Opportunity  
9 Board to promote improvements in access to woodlands, farmland, and land  
10 and home ownership for Vermonters from historically marginalized or  
11 disadvantaged communities who continue to face barriers to land and home  
12 ownership. The Board shall be attached to the Vermont Housing and  
13 Conservation Board for administrative purposes.

14 (b) Organization of Board. The Board shall be composed of:

15 \* \* \*

16 (10) one member, appointed by the Vermont Developmental Disabilities  
17 Council; ~~and~~

18 (11) one member, appointed by ~~Vermont Psychiatric Survivors~~  
19 MadFreedom, Inc; and

20 (12) one member, appointed by Migrant Justice.

21 \* \* \*

1     § 325w. LAND ACCESS AND OPPORTUNITY REVOLVING FUND

2           (a) There is created a special fund in the State Treasury to be known as the  
3     “Land Access and Opportunity Revolving Fund.” The Fund shall be  
4     administered by the Board with support from the VHCB.

5           (b) Expenditures from the Fund shall only be made to implement and  
6     effectuate the purposes of this subchapter. Unexpended balances and any  
7     earnings shall remain in the Fund for use in accord with the purposes of this  
8     subchapter.

9           (c) Upon application from an eligible applicant in a form prescribed by the  
10    Board, the Board may provide funding in the form of grants or loans for the  
11    following eligible activities:

12           (1) the purchase of buildings and land by current tenants to expand  
13    access to owner-occupied affordable housing;

14           (2) the renovation of owner-occupied multi-unit housing to expand  
15    access to sustainable affordable housing;

16           (3) the development of affordable housing infrastructure for land owned  
17    through a residential cooperative or other form of collective ownership; and

18           (4) the development of affordable transitional housing for members of  
19    historically marginalized or disadvantaged communities with a priority for  
20    projects that lead to collective ownership.

21           (d) The Board shall prioritize funding for projects that:

1           (1) create self-sufficient neighborhoods and communities that use  
2           intersectional and circular design, such as localized waste management,  
3           regenerative agricultural practices, and independent energy generation;

4           (2) develop sustainable social and physical infrastructure that expands  
5           access to community resources, such as tool banks, labor pools, and workforce  
6           training programs; and

7           (3) support members from historically marginalized or disadvantaged  
8           communities, including individuals who experience homelessness, substance  
9           use disorder, or mental or physical disabilities; individuals who have a history  
10          of incarceration or involvement in the justice system; youth with a history of  
11          interaction with the Department for Children and Families; or the elderly.

12          (e) The Board shall work with the Vermont Housing and Finance Agency,  
13          the VHCB, the Agency of Human Services, and the Department of Housing  
14          and Community Development to identify and propose pilot projects to award  
15          funding under this section that:

16               (1) identify public land and buildings in areas designated for the  
17               development of housing to integrate affordable housing into neighborhoods  
18               and communities;

19               (2) support cooperative management or ownership;

20               (3) integrate community resources;

1           (4) co-locate health resources, workforce development opportunities, or  
2           food access;

3           (5) provide for circular waste management and energy production and  
4           storage within the project or neighborhood; and

5           (6) propose additional incentives for public-private partnerships and  
6           coordinated development of the neighborhood surrounding the affordable  
7           housing infrastructure.

8           (f)(1) Annually on or before January 31, the Board shall submit a report  
9           concerning its activities under this section to the Governor and the General  
10           Assembly. The report shall include a list and description of activities funded  
11           by the Board during the preceding year, including commitments made to fund  
12           projects, and a full financial report of the Board's activities.

13           (2) The provisions of 2 V.S.A. § 20(d) (expiration of required reports)  
14           shall not apply to the report to be made under this section.

15           Sec. 5. PRESERVATION OF AFFORDABLE HOUSING TAX REPORT

16           On or before July 1, 2026, the Department of Taxes in collaboration with  
17           the Joint Fiscal Office shall issue a report to the General Assembly evaluating  
18           the tax incentives and penalties that purport to preserve affordable housing in  
19           Vermont. The report shall:

20           (1) consider various definitions and measurements of affordability for  
21           tenants, including the basic needs budget;

1           (2) consider variables impacting the price of rent for property owners,  
2           including the cost and benefits of rent pricing;

3           (3) project how tax incentives for affordable rent might amplify existing  
4           tax benefits for owners;

5           (4) project how tax penalties on rent prices would deter owners from  
6           charging excessive rent prices;

7           (5) project how tax incentives for property owners giving tenants the  
8           first right of refusal to purchase property under rent could encourage home  
9           ownership for tenants; and

10           (6) project the fiscal impact of these various tax incentives and penalties  
11           on the revenues of the State.

12       Sec. 6. REPEAL

13           32 V.S.A. § 5822(a)(7) (personal income tax surcharge) is repealed.

14       Sec. 7. 32 V.S.A. § 435(b)(5) is amended to read:

15           (5) individual income taxes levied pursuant to chapter 151 of this title;  
16           ~~except for revenue levied and transferred pursuant to subdivision 5822(a)(7) of~~  
17           ~~this title;~~

18       Sec. 8. EFFECTIVE DATES

19           (a) Notwithstanding 1 V.S.A. § 214, this section and Secs. 2. (General  
20           Fund allocation) and 3 (income tax surcharge) shall take effect retroactively on



1 January 1, 2025 and shall apply to taxable years beginning on and after  
2 January 1, 2025.

3 (b) Secs. 6 and 7 (repeal of surcharge) shall take effect on January 1, 2031  
4 and shall apply to taxable years beginning on and after January 1, 2031.

5 (c) The remainder of this act shall take effect on passage.