

H.730

Introduced by Representatives Sibilila of Dover, Hango of Berkshire, Priestley
of Bradford, Boyden of Cambridge, Bartley of Fairfax, Carris
Duncan of Whitingham, Demar of Enosburgh, Dickinson of St.
Albans Town, Feltus of Lyndon, Gregoire of Fairfield, Harple
of Glover, Higley of Lowell, Hooper of Randolph, Labor of
Morgan, Lipsky of Stowe, Masland of Thetford, Morrow of
Weston, Nelson of Derby, North of Ferrisburgh, Noyes of
Wolcott, O'Brien of Tunbridge, Olson of Starksboro, Pritchard
of Pawlet, Southworth of Walden, Sweeney of Shelburne,
Tagliavia of Corinth, White of Waitsfield, White of Bethel, and
Yacovone of Morristown

Referred to Committee on

Date:

Subject: Conservation and development; land use; Act 250; Tier 3; property
valuation

Statement of purpose of bill as introduced: This bill proposes to make changes
to the Act 250 Tier 3 rules, require notice to property owners about Tier 2 and
3, and require the Department of Taxes to consider impacts on the fair market
value due to the requirements of Act 250.

1 An act relating to Act 250 location-based jurisdiction

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

3 Sec. 1. 2024 Acts and Resolves No. 181, Sec. 22 is amended to read:

4 Sec. 22. TIER 3 RULEMAKING

5 (a) The Land Use Review Board, in consultation with the Secretary of
6 Natural Resources, shall adopt rules to implement the requirements for the
7 administration of 10 V.S.A. § 6001(3)(A)(xiii) and 10 V.S.A. § 6001(46) and
8 (19). It is the intent of the General Assembly that these rules identify critical
9 natural resources for protection. The Board shall review the definition of Tier
10 3 area; determine the critical natural resources that shall be included in Tier 3,
11 giving due consideration to river corridors, headwater streams, habitat
12 connectors of statewide significance, riparian areas, class A waters, and natural
13 communities; any additional critical natural resources that should be added to
14 the definition; measures to ensure that no municipality or region is
15 disproportionately impacted by Tier 3 designation that would limit reasonable
16 opportunities for Tier 1 or Tier 2 designations; and how to define the
17 boundaries. Rules adopted by the Board shall include:

18 (1) any necessary clarifications to how the Tier 3 definition is used in
19 10 V.S.A. chapter 151, including whether and how subdivisions would be
20 covered under the jurisdiction of Tier 3;

1 ~~2026~~ 2027. After the Land Use Review Board files the rule with the
2 Legislative Committee on Administrative Rules, it shall submit a report
3 describing the rules and the issues reviewed under this section to the House
4 Committee on Environment ~~and Energy~~ and the Senate Committee on Natural
5 Resources and Energy.

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

11 (e) At least 30 days before a public meeting is going to be held on the
12 proposed Tier 3 rules, the Board shall mail written notice to every property
13 owner within a Tier 2 or 3 area and those properties located at or above 2,500
14 feet in elevation that the property may be subject to the updated Act 250
15 requirements, including when road construction requires a permit. The notice
16 shall include information on how the property owner can submit comments on
17 the draft rules and the date of a public hearing on the rules.

18 Sec. 2. 10 V.S.A. § 6001(3)(D)(viii)(III) is amended to read:

19 (III) Notwithstanding any other provision of law to the
20 contrary, until ~~January~~ July 1, 2027, the construction of a priority housing
21 project located entirely within areas of a designated downtown development

1 district, designated neighborhood development area, or a designated growth
2 center or within one-half mile around such designated center with permanent
3 zoning and subdivision bylaws served by public sewer or water services or
4 soils that are adequate for wastewater disposal. For purposes of this
5 subdivision (III), in order for a parcel to qualify for the exemption, at least 51
6 percent of the parcel shall be located within one-half mile of the designated
7 center boundary. If the one-half mile around the designated center extends into
8 an adjacent municipality, the legislative body of the adjacent municipal may
9 inform the Board that it does not want the exemption to extend into that area.

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

11 § 6081. PERMITS REQUIRED; EXEMPTIONS

12 * * *

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

17 * * *

18 (3) Upon receiving notice and a copy of the permit issued by an
19 appropriate municipal panel pursuant to 24 V.S.A. § 4460(g), a previously
20 issued permit for a development or subdivision located in a Tier 1A area shall
21 remain attached to the property. ~~However, neither the Board nor the Agency~~

1 ~~of Natural Resources shall enforce the permit or assert amendment jurisdiction~~
2 ~~on the tract or tracts of land unless the designation is revoked or the~~
3 ~~municipality has not taken any reasonable action to enforce the conditions of~~
4 ~~the permit.~~

5 * * *

6 (dd) Interim housing exemptions.

7 (1) Notwithstanding any other provision of law to the contrary, until
8 ~~January~~ July 1, 2027, no permit or permit amendment is required for the
9 construction of housing projects such as cooperatives, condominiums,
10 dwellings, or mobile homes, with 75 units or fewer, constructed or maintained
11 on a tract or tracts of land, located entirely within the areas of a designated new
12 town center, a designated growth center, or a designated neighborhood
13 development area served by public sewer or water services or soils that are
14 adequate for wastewater disposal. Housing units constructed pursuant to this
15 subdivision shall not count towards the total units constructed in other areas.
16 This exemption shall not apply to areas within mapped river corridors and
17 floodplains except those areas containing preexisting development in areas
18 suitable for infill development as defined in 29-201 of the Vermont Flood
19 Hazard Area and River Corridor Rule.

20 (2)(A) Notwithstanding any other provision of law to the contrary, until
21 July 1, 2027, no permit or permit amendment is required for the construction of

1 housing projects such as cooperatives, condominiums, dwellings, or mobile
2 homes, with 50 or fewer units, constructed or maintained on a tract or tracts of
3 land of 10 acres or less, located entirely within:

4 * * *

5 (3) Notwithstanding any other provision of law to the contrary, until
6 ~~January~~ July 1, 2027, no permit or permit amendment is required for the
7 construction of housing projects such as cooperatives, condominiums,
8 dwellings, or mobile homes, constructed or maintained on a tract or tracts of
9 land, located entirely within a designated downtown development district with
10 permanent zoning and subdivision bylaws served by public sewer or water
11 services or soils that are adequate for wastewater disposal. Housing units
12 constructed pursuant to this subdivision shall not count towards the total units
13 constructed in other areas. This exemption shall not apply to areas within
14 mapped river corridors and floodplains except those areas containing
15 preexisting development in areas suitable for infill development as defined in
16 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

17 Sec. 4. 24 V.S.A. § 4460 is amended to read:

18 § 4460. APPROPRIATE MUNICIPAL PANELS

19 * * *

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

- 1 (A) was previously permitted pursuant to 10 V.S.A. chapter 151;
2 (B) is located in a Tier 1A area pursuant to 10 V.S.A. § 6034; and
3 (C) has applied for a permit or permit amendment required by zoning
4 regulations or bylaws adopted pursuant to this subchapter.

5 (2) The appropriate municipal panel reviewing a municipal permit or
6 permit amendment pursuant to this subsection shall include conditions
7 contained within a permit previously issued pursuant to 10 V.S.A. chapter 151
8 unless the panel determines that the permit condition pertains to any of the
9 following:

- 10 (A) the construction phase of the project that has already been
11 constructed;
12 (B) compliance with another State permit that has independent
13 jurisdiction;
14 (C) federal or State law that is no longer in effect or applicable;
15 (D) an issue that is addressed by municipal regulation and the project
16 will meet the municipal standards; or
17 (E) a physical or use condition that is no longer in effect or
18 applicable or that will no longer be in effect or applicable once the new project
19 is approved.

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

4 (4) The appropriate municipal panel shall comply with the notice and
5 hearing requirements provided in subdivision 4464(a)(1) of this title. In
6 addition, notice shall be provided to those persons requiring notice under
7 10 V.S.A. § 6084(b) and shall explicitly reference the existing Act 250 permit.

8 (5) The appropriate municipal panel's decision shall be issued in
9 accordance with subsection 4464(b) of this title and shall include specific
10 findings with respect to its determinations pursuant to subdivision (2) of this
11 subsection.

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

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

19 Sec. 5. 2024 Acts and Resolves No. 181, Sec. 114 is amended to read:

20 Sec. 114. EFFECTIVE DATES

21 This act shall take effect on passage, except that:

(2) Sec. 19 (10 V.S.A. § 6001(3)(A)(xii)) shall take effect on ~~July 1,~~
~~2026~~ March 1, 2027;

* * *

Sec. 6. APPROPRIATION

In fiscal year 2027, \$20,000.00 shall be appropriated from the General Fund to the Land Use Review Board for the location-based jurisdiction notice requirement.

Sec. 7. 32 V.S.A. § 3622 is added to read:

§ 3622. PARCELS SUBJECT TO ACT 250 REQUIREMENTS

When determining the appraisal value of a parcel, an assessing official shall account for any impact on the fair market value of the parcel due to development requirements under 10 V.S.A. chapter 151.

Sec. 8. PVR GUIDANCE; VALUING PARCELS SUBJECT TO ACT 250

On or before October 1, 2027, the Department of Taxes shall publish guidance for Vermont assessing officials regarding how to implement the requirements of 32 V.S.A. § 3622.

1 Sec. 9. EFFECTIVE DATES

2 This act shall take effect on passage, except that Sec. 7 (32 V.S.A. § 3622)
3 shall take effect on January 1, 2027, and shall first apply to grand lists lodged
4 on the grand list assessment date in calendar year 2027.