

1 H.757

2 Introduced by Representatives Pezzo of Colchester and Mihaly of Calais

3 Referred to Committee on

4 Date:

5 Subject: Corporations, partnerships, and associations; cooperative housing

6 corporations; limited equity cooperatives; mobile homes;

7 manufactured homes; housing; municipal zoning; taxation and

8 finance; sales and use tax; property transfer tax; exemptions;

9 education property tax; conservation and development; water

10 pollution control; stormwater management

11 Statement of purpose of bill as introduced: This bill proposes to make

12 amendments to the form of and conversion process for mobile home real estate

13 deeds; make amendments to limited equity cooperative housing corporations to

14 prohibit subleasing of a unit for a limited equity cooperative incorporated after

15 June 30, 2026, unless the member can demonstrate a hardship, to specify that

16 limited equity cooperatives are to be treated as nonprofit corporations, and to

17 specify that limited equity cooperatives serve low- and moderate-income

18 individuals for State funding and grant purposes; for the purposes of municipal

19 zoning, to allow manufactured housing to the same extent as other housing; to

20 exempt limited equity cooperative housing corporations from needing to

21 obtain a stormwater permit due to the discharge of stormwater from

1 impervious surface of three or more acres; and to exempt all mobile homes
2 from sales tax, to subject mobile homes previously subject to sales tax to the
3 property transfer tax, and to exempt from property taxes mobile home parks
4 organized as a limited equity cooperative.

5 An act relating to manufactured homes and limited equity cooperatives

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

7 ~~*** Manufactured Homes ***~~

8 Sec. 1. 9 V.S.A. chapter 72 is amended to read:

9 CHAPTER 72. MOBILE HOMES

10 § 2601. DEFINITIONS

11 (a) As used in this chapter, unless the context requires otherwise, “mobile
12 home” means:

13 (1) A mobile home as defined in 10 V.S.A. § 6201.

14 (2) An unmotorized vehicle, other than a travel or recreational trailer,
15 designed to be towed and designed or equipped for use as sleeping, eating, or
16 living quarters.

17 (b) A mobile home remains a mobile home for purposes of this chapter

18 ~~even though it may be used for advertising, sales, display, or promotion of~~

1 ~~merchandise or services, or for any other commercial purposes except the~~
2 transportation of property.

3 (c) A mobile home that was financed as residential real estate shall be
4 defined as residential real estate.

5 (d) "Permanently sited" means the mobile home has become affixed to the
6 land. Factors that tend to show a mobile home is permanently sited include
7 one or more of the following:

8 (1) The mobile home has been set up on blocks or otherwise stabilized
9 so that the wheels do not form a major part of the structural support.

10 (2) The mobile home has been connected to utilities such as electricity,
11 sewage, water, gas, or oil.

12 (3) Skirting has been installed around the base of the mobile home.

13 (4) The wheels or axles have been removed.

14 (5) The mobile home has been situated in a place that makes removal
15 unlikely.

16 * * *

17 § 2604. REAL ESTATE DEEDS FOR MOBILE HOMES

18 (a) Any mobile home purchased from a mobile home dealer on or after
19 July 1, 2008, that is financed as residential real estate pursuant to subsection
20 2603(b) of this title shall be conveyed by a warranty deed ~~drafted in~~
21 ~~substantially the form provided in subsection (c) of this section.~~

1 ~~(b) An owner of a mobile home shall, upon financing or refinancing a~~
2 mobile home as residential real estate or selling a mobile home that has been
3 financed as residential real estate, issue to the grantee either a warranty deed or
4 a quitclaim deed that is drafted in substantially the form provided in subsection
5 (e) or (d) of this section.

6 (c) A warranty deed that is substantially in the form provided in this
7 subsection shall, when duly executed and delivered, have the force and effect
8 of a deed in fee simple to the grantee, the heirs, successors, and assigns, to
9 their own use, with covenants on the part of the grantor, for the grantor, the
10 grantor's heirs, executors, and administrators that, at the time of the delivery
11 of the deed, the grantor was lawfully seized in fee simple of the mobile home;
12 that the mobile home was free from all encumbrances, except as stated; that
13 the grantor had good right to sell and convey the same to the grantee, the
14 grantee's heirs, successors, and assigns; and that the grantor and the grantor's
15 heirs, executors, and administrators shall warrant and defend the same to the
16 grantee and the grantee's heirs, successors, and assigns, against the lawful
17 claims and demands of all persons. ~~No owner of land on which a mobile home~~
18 ~~is sited shall unreasonably withhold the consent required by this statutory~~
19 ~~form.~~

1 _____ of _____ County,
2 State of _____, _____ (“Grantor”), for consideration paid,
3 grants to _____ of _____ Street, Town (City) of _____
4 _____ County, State of _____ (“Grantee”), with warranty
5 covenants, the _____ (description of mobile home being conveyed: name of
6 manufacturer, model and serial number and encumbrances, exceptions,
7 reservations, if any) which mobile home is situated, or is to be situated, at
8 _____ (state name of park, if any, and street address), Town (City) of
9 _____, _____ County, State of Vermont.
10 The tract or parcel of land upon which the mobile home is situated, or is to be
11 situated, is owned by _____ by deed dated and recorded at Book _____,
12 Page _____ in the land records of the Town (City) of _____.
13 _____ (wife) (husband) of said Grantor, releases to
14 said Grantee all rights and other interests therein.
15 Signed this _____ day of _____, _____.
16 (Here add acknowledgment)
17 _____, owner of the tract or parcel of land upon which the
18 aforesaid mobile home is situated, or is to be situated, hereby consents to the
19 conveyance of the mobile home.
20 Signed this _____ day of _____, _____.
21 (Here add acknowledgment)

1 ~~[] Check box if the mobile home has been relocated from one site to~~
2 ~~another within Vermont, and attach a Relocation Statement in the form~~
3 ~~provided in section 2606 of this title.~~

4 (d) A quitclaim deed that is substantially in the form provided in this
5 subsection shall, when duly executed and delivered, have the force and effect
6 of a deed in fee simple to the grantee, the heirs, successors, and assigns, to
7 their own use. ~~No owner of land on which the mobile home is sited shall~~
8 ~~unreasonably withhold consent required by this statutory form.~~

9 Form for Mobile Home Quitclaim Deed

10 _____, of _____, _____ County, State of _____
11 _____ (“Grantor”), for consideration paid, grants to _____ of
12 _____ Street, Town (City) of _____ County, State of
13 _____ (“Grantee”), with quitclaim covenants, the (description of mobile
14 home being conveyed: name of manufacturer, model and serial number and
15 encumbrances, exceptions, reservations, if any) which mobile home is situated,
16 or is to be situated, at _____ (state name of park, if any, and
17 street address), Town (City) of _____ County, State of Vermont.

18 The tract or parcel of land upon which the mobile home is situated, or
19 is to be situated, is owned by _____ by deed dated _____
20 and recorded at Book _____, Page _____, in the land records of the Town (City) of
21 _____.

1 _____ (wife) (husband) of said Grantor releases to said Grantee all
2 rights and other interest therein.

3 Signed this ___ day of _____, _____.

4 (Here add acknowledgment)

5 _____, owner of the parcel of land upon which the
6 aforesaid mobile home is situated, or is to be situated, hereby consents to the
7 conveyance of the mobile home.

8 Signed this ___ day of _____, _____.

9 (Here add acknowledgment)

10 Check box if the mobile home has been relocated from one site to
11 another within Vermont, and attach a relocation statement in the form provided
12 in section 2606 of this title.

13 § 2605. MOBILE HOME BILL OF SALE CONVERSION PROCESS

14 The owner of any mobile home that was initially financed pursuant to a
15 motor vehicle loan, motor vehicle retail installment contract, or another form
16 of chattel mortgage shall, if the mobile home is subsequently financed as
17 residential real estate pursuant to subsection 2603(b) of this title, file a request
18 for purging of the security interest with the clerk of the municipality where the
19 chattel mortgage for the mobile home was last recorded.

20 (1) A request to purge the security interest of a mobile home shall

21 include the most recent Vermont uniform bill of sale or certificate of origin,

1 ~~the terminated UCC financing statement or statements, and an executed~~
2 ~~warranty or quitclaim deed, which shall be drafted substantially in the form~~
3 ~~provided in section 2604 of this title.~~

4 (2) ~~Upon the filing of a request to purge the security interest of a mobile~~
5 ~~home with the clerk of the municipality where the chattel mortgage for the~~
6 ~~mobile home was last recorded, and upon the owner's procuring the consent of~~
7 ~~the holders of any security interest in the mobile home shown to be unreleased,~~
8 ~~the mobile home shall become residential real estate.~~

9 (3) ~~Upon receiving a request to purge the security interest of a mobile~~
10 ~~home, the municipal clerk shall mark or stamp the originally filed Vermont~~
11 ~~uniform bill of sale or certificate of origin with the word "converted."~~

12 (4) ~~A mobile home that has been converted to residential real estate~~
13 ~~shall not be converted or redefined as personal property. [Repealed.]~~

14 * * *

15 * * * Limited Equity Cooperatives * * *

16 Sec. 2. 11 V.S.A. § 1598 is amended to read:

17 § 1598. LIMITED EQUITY COOPERATIVES

18 (a) A cooperative housing corporation may organize as a limited equity
19 cooperative in order to fulfill the public purpose of providing and preserving
20 housing for persons and households of low and moderate income at the time
21 that they purchase their memberships. In addition to safeguarding the

1 ~~forgoing public purpose, a limited equity cooperative shall meet the following~~
2 requirements:

3 (1) The articles of incorporation shall require that cooperative interests
4 be sold at not more than a transfer value determined by a limited equity
5 formula contained in the articles. That value shall be consistent with the
6 object of maintaining long-term affordability of cooperative interests for
7 persons or households of low and moderate income.

8 (2) A limited equity formula, once established by a cooperative housing
9 corporation in its articles of incorporation, may be amended only if that
10 amendment does not make the cooperative membership unaffordable for the
11 class of low- or moderate-income households for which the cooperative
12 housing corporation was originally incorporated, as determined and certified
13 by the Commissioner of Housing and Community Affairs Development. A
14 cooperative housing corporation once organized under this section may not
15 reorganize as other than a limited equity cooperative without first dissolving.

16 (3) A limited equity cooperative shall not sell all or substantially all of
17 its assets if such sale is intended to circumvent the public purposes of this
18 section.

19 (4) The articles of incorporation shall require that the cooperative
20 housing corporation shall have the first right to repurchase a member's
21 cooperative interest.

1 ~~(5) The articles of incorporation shall require that the total distribution~~
2 out of capital to a member shall not exceed that transfer value.

3 (C) The articles of incorporation shall require that upon dissolution of
4 the cooperative housing corporation, any assets remaining after retirement of
5 corporate debts and distribution to members shall be distributed to a charitable
6 organization described in Section 501(c)(3) of the Internal Revenue Code of
7 1986, as amended, a public agency, or another limited equity cooperative
8 whose formula for determining transfer value shall be not less restrictive than
9 that of the cooperative housing corporation being dissolved.

10 (7)(A) The For a limited equity cooperative organized prior to July 1,
11 2026, the articles of incorporation shall require that no for any sublease of a
12 unit shall provide for monthly payments by the sublessee in excess of 110
13 percent of monthly payments for the unit provided for in the proprietary lease
14 the total cost of rent for the unit, including utilities not covered by rent
15 payments and costs for the proprietary lease payment, shall not exceed the
16 applicable fair market rent established by the U.S. Department of Housing and
17 Urban Development.

18 (B) For a limited equity cooperative organized on or after July 1, 2026,
19 the articles of incorporation shall prohibit the subleasing of a unit, unless a
20 member can demonstrate a hardship in which case the board of directors may
21 vote by majority to grant an exemption from the prohibition. In the event a

1 ~~unit is provided an exemption under this subdivision (B), the total cost of rent~~
2 ~~for the unit, including utilities not covered by rent payments and costs for the~~
3 ~~proprietary lease payment, shall not exceed the applicable fair market rent~~
4 ~~established by the U.S. Department of Housing and Urban Development.~~

5 ~~(b) Notwithstanding any law to the contrary, a cooperative housing~~
6 ~~corporation organized as a limited equity cooperative shall be treated as if it~~
7 ~~has incorporated as a nonprofit corporation under the laws of this State,~~
8 ~~including for registration purposes with the Secretary of State.~~

9 ~~(c) For the purposes of State funding and grants to support affordable~~
10 ~~housing, a cooperative housing corporation organized as a limited equity~~
11 ~~cooperative under this section shall be treated as serving individuals with low~~
12 ~~and moderate incomes. Nothing in this section shall be deemed to alter or~~
13 ~~change specific funding or grant requirements, including the definition of low~~
14 ~~or moderate income, as outlined in any program, funding, or grant source.~~

15 * * * Municipal Zoning * * *

16 Sec. 3. 24 V.S.A. § 4412 is amended to read:

17 § 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

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

20 (1) Equal treatment of housing and required provisions for affordable
21 housing.

1
2 (B) Except as provided in subdivisions 4414(1)(E) and (F) of this
3 title, no bylaw shall have the effect of excluding mobile homes, modular
4 housing, or prefabricated housing from any district that allows year-round
5 residential development in the municipality, except upon the same terms and
6 conditions as conventional housing is excluded. A municipality may establish
7 specific site standards in the bylaws to regulate individual sites within
8 preexisting mobile home parks with regard to distances between structures and
9 other standards as necessary to ensure public health, safety, and welfare,
10 provided the standards do not have the effect of prohibiting the replacement of
11 mobile homes on existing lots.

12 * * *

13 * * * Stormwater Permit * * *

14 Sec. 4. 10 V.S.A. § 1264 is amended to read:

15 § 1264. STORMWATER MANAGEMENT

16 * * *

17 (b) Definitions. As used in this section:

18 * * *

19 (6) "Impervious surface" means those manmade surfaces, including
20 paved and unpaved roads, parking areas, roofs, driveways, and walkways,
21 from which precipitation runs off rather than infiltrates.

1
2 (14) "Stormwater runoff" means precipitation and snowmelt that does
3 not infiltrate into the soil, including material dissolved or suspended in it, but
4 does not include discharges from undisturbed natural terrain or wastes from
5 combined sewer overflows.

6 * * *

7 (c) Prohibitions.

8 * * *

9 (7) In accordance with the schedule established under subdivision (g)(3)
10 of this section, a person shall not discharge stormwater from impervious
11 surface of three or more acres in size without first obtaining an individual
12 permit or coverage under a general permit issued under this section if the
13 discharge was never previously permitted or was permitted under an individual
14 permit or general permit that did not incorporate the requirements of the 2002
15 Stormwater Management Manual or any subsequently adopted Stormwater
16 Management Manual. The Secretary shall provide notice to all owners of
17 property subject to the permit required under this subdivision.

18 (d) Exemptions.

19 * * *

20 (3) A permit shall not be required under subdivision (c)(7) of this
21 section for stormwater discharges from impervious surface owned or

1 ~~controlled by a cooperative housing corporation registered as a limited equity~~
2 ~~cooperative under 11 V.S.A. § 1598.~~

3 * * *

4 * * * Sales and Use Tax Exemption * * *

5 Sec. 5. 32 V.S.A. § 9706(s) is amended to read:

6 (s) The statutory purpose of the exemption for sales of mobile homes and
7 modular housing in subdivision 9741(32)(A) of this title is to create equity
8 between mobile and modular housing and traditional residential construction
9 by providing an exemption for the estimated portion of the cost attributable to
10 labor (versus materials). The statutory purpose of the exemption for sales of
11 mobile homes in subdivision 9741(32)(B) of this title is to ensure that all sales
12 of mobile homes, as defined in 10 V.S.A. § 6201, are treated similarly for
13 purposes of the property transfer tax imposed under chapter 231 of this title.

14 Sec. 6. 32 V.S.A. § 9741 is amended to read:

15 § 9741. SALES NOT COVERED

16 Retail sales and use of the following shall be exempt from the tax on retail
17 sales imposed under section 9771 of this title and the use tax imposed under
18 section 9773 of this title:

19

1 ~~(32)(A) Forty percent of the receipts from sales of mobile homes, as~~
2 defined in 9 V.S.A. § 2601(a)(2), and modular housing, when they are sold as
3 tangible personal property.

4 (B) Sales of mobile homes, as defined in 10 V.S.A. § 6201, when
5 sold as tangible personal property.

6 * * *

7 * * * Property Transfer Tax * * *

8 Sec. 7. 32 V.S.A. § 9601 is amended to read:

9 § 9601. DEFINITIONS

10 As used in this chapter unless the context requires otherwise:

11 * *

12 (5) “Transfer” includes a grant, assignment, conveyance, will, trust,
13 decree of court, transfer or acquisition of a direct or indirect controlling
14 interest in any person with title to property, or any other means of transferring
15 title to property or vesting title to property in any person. In the case of a
16 mobile home sold as tangible personal property, “transfer” includes a sale.

17 (6)(A) “Value” means:

18 (i) in the case of any transfer of title to property that is not a gift
19 and that is not made for a nominal or no consideration, the amount of the full
20 ~~actual consideration for such transfer, paid or to be paid, including the amount~~

1 ~~of any liens or encumbrances on the property existing before the transfer and~~
2 not removed thereby;

3 (ii) in the case of a gift, or a transfer for nominal or no
4 consideration, the fair market value of the property transferred; ~~and~~

5 (iii) in the case of a controlling interest in any person that has title
6 to property, the fair market value of the property, apportioned based on the
7 percentage of the ownership interest transferred or acquired in the person; and

8 (iv) in the case of a mobile home sold as tangible personal
9 property, the amount of the full actual consideration for such sale, paid or to be
10 paid, including the amount of any liens or encumbrances on the tangible
11 personal property existing before the sale and not removed thereby.

12 * * *

13 (10) "Property" means real property and, in the case of a mobile home
14 sold as tangible personal property, tangible personal property. The term does
15 not include personal property transferred with real property other than a
16 mobile home.

17 * * *

18 (13) "Mobile home" has the same meaning as in 10 V.S.A. § 6201.
19 Sec. 8. 32 V.S.A. § 9602 is amended to read:

20 ~~§ 9602. TAX ON TRANSFER OF TITLE TO PROPERTY~~

1 ~~A tax is hereby imposed upon the transfer by deed of title to property~~
2 located in this State, ~~or~~ a transfer or acquisition of a controlling interest in any
3 person with title to property in this State, or the sale of a mobile home as
4 tangible personal property in this State. The amount of the tax equals 1.25
5 percent of the value of the property transferred, or \$1.00, whichever is greater,
6 except as follows:

7 * * *

8 Sec. 9. 32 V.S.A. § 9605 is amended to read:

9 § 9605. PAYMENT OF TAX

10 (a) The tax imposed by this chapter shall be paid to the Commissioner
11 within 30 days after transfer of title to property subject to the tax ~~or~~; in the
12 case of a transfer or acquisition of a controlling interest in a person with title to
13 property for which a deed is not given, within 30 days after transfer or
14 acquisition; or, in the case of a sale of a mobile home as tangible personal
15 property, within 30 days after sale.

16 * * *

17 Sec. 10. 32 V.S.A. § 9606 is amended to read:

18 § 9606. PROPERTY TRANSFER RETURN

19 (a)(1) In the case of property transfer by deed, a property transfer return
20 ~~complying with this section shall be delivered to a town clerk at the time a~~

1 ~~deed evidencing a transfer of title to property is delivered to the clerk for~~
2 ~~recording.~~

3 (2) In the case of transfer or acquisition of a controlling interest in a
4 person with title to property for which a deed is not given, a property transfer
5 return complying with this section shall be delivered to the Commissioner
6 within 30 days after the transfer or acquisition.

7 (3) In the case of sale of a mobile home as tangible personal property, a
8 property transfer return complying with this section shall be delivered to a
9 town clerk at the time an executed mobile home uniform bill of sale is filed
10 with the clerk.

11 * *

12 (e)(1) In the case of property transferred by deed, the Commissioner of
13 Taxes is authorized to disclose to any person any information appearing on a
14 property transfer tax return, including statistical information derived
15 therefrom, and such information derived from research into information
16 appearing on property transfer tax returns as is necessary to determine if the
17 property being transferred is subject to 10 V.S.A. chapter 151, except the
18 Commissioner shall not disclose the Social Security number, federal
19 identification number, ~~e-mail~~ email address, or telephone number of any
20 ~~person pursuant to this subsection.~~

1 ~~(2) In the case of transfer or acquisition of a controlling interest in a~~
2 ~~person with title to property for which a deed is not given or the sale of a~~
3 ~~mobile home as tangible personal property, the return submitted to the~~
4 ~~Commissioner shall be treated as a tax return and tax return information under~~
5 ~~section 3102 of this title.~~

6 Sec. 11. 32 V.S.A. § 9607 is amended to read:

7 § 9607. ACKNOWLEDGMENT OF RETURN AND TAX PAYMENT

8 Upon the receipt by a town clerk of a property transfer return and certificate
9 and the fee required under subdivision 1671(a)(6) of this title, the clerk shall
10 forthwith mail or otherwise deliver to the transferee of title to property or
11 purchaser of a mobile home as tangible personal property with respect to
12 which such return was filed a signed and written acknowledgment of the
13 receipt of that return and certificate. A copy of that acknowledgment, or any
14 other form of acknowledgment approved by the Commissioner, shall be
15 affixed to the deed evidencing the transfer of property, ~~or the document~~
16 ~~evidencing the transfer or acquisition of a direct or indirect controlling interest~~
17 ~~in any person with title to property, or the mobile home uniform bill of sale~~
18 ~~with respect to which the return and certificate was filed. The~~
19 ~~acknowledgment so affixed to a deed, ~~or document, or bill of sale, however,~~~~
20 ~~shall not disclose the amount of tax paid with respect to any return or transfer.~~

21 ~~Section 11. Tax Exemption for Mobile Home Limited Equity Cooperatives~~

1 ~~Sec. 12. 22 V.S.A. § 2802 is amended to read:~~

2 ~~§ 3802. PROPERTY TAX~~

3 ~~The following property shall be exempt from taxation:~~

4 ~~* * *~~

5 ~~(23) Real property owned by a mobile home limited equity cooperative,~~
6 ~~as that term is used in 11 V.S.A. § 1610.~~

7 ~~* * * Confirming Revisions * * *~~

8 ~~Sec. 13. CONFORMING REVISIONS~~

9 ~~When preparing the Vermont Statutes Annotated for publication, the Office~~
10 ~~of Legislative Counsel shall replace “mobile home” with “manufactured~~
11 ~~home” throughout the statutes as needed for consistency with this act, provided~~
12 ~~the revisions have no other effect on the meaning of the affected statutes.~~

13 ~~* * * Effective Date * * *~~

14 ~~Sec. 14. EFFECTIVE DATE~~

15 ~~This act shall take effect on July 1, 2026.~~

~~* * * *Manufactured Homes* * * *~~

~~*Sec. 1. 9 V.S.A. chapter 72 is amended to read:*~~

~~*CHAPTER 72. MOBILE HOMES*~~

~~*§ 2601. DEFINITIONS*~~

~~*(a) As used in this chapter, unless the context requires otherwise, “mobile*~~
~~*home” means.*~~

(1) A mobile home as defined in 10 V.S.A. § 6201

(2) An unmotorized vehicle, other than a travel or recreational trailer, designed to be towed and designed or equipped for use as sleeping, eating, or living quarters.

(b) A mobile home remains a mobile home for purposes of this chapter even though it may be used for advertising, sales, display, or promotion of merchandise or services, or for any other commercial purposes except the transportation of property.

(c) A mobile home that was financed as residential real estate shall be defined as residential real estate.

(d) "Permanently sited" means the mobile home has become affixed to the land. Factors that tend to show a mobile home is permanently sited include one or more of the following:

(1) The mobile home has been set up on blocks or otherwise stabilized so that the wheels do not form a major part of the structural support.

(2) The mobile home has been connected to utilities such as electricity, sewage, water, gas, or oil.

(3) Skirting has been installed around the base of the mobile home.

(4) The wheels or axles have been removed.

(5) The mobile home has been situated in a place that makes removal unlikely.

~~§ 2604. REAL ESTATE DEEDS FOR MOBILE HOMES~~

~~(a) Any mobile home purchased from a mobile home dealer on or after July 1, 2008, that is financed as residential real estate pursuant to subsection 2603(b) of this title shall be conveyed by a warranty deed drafted in substantially the form provided in subsection (c) of this section.~~

~~(b) An owner of a mobile home shall that is permanently sited may, upon financing or refinancing a mobile home as residential real estate or selling a mobile home that has been financed as residential real estate or will be so financed by the grantee, issue to the grantee either a warranty deed or a quitclaim deed that is drafted in substantially the form provided in subsection (c) or (d) of this section.~~

~~(c) A warranty deed that is substantially in the form provided in this subsection shall, when duly executed and delivered, have the force and effect of a deed in fee simple to the grantee, the heirs, successors, and assigns, to their own use, with covenants on the part of the grantor, for the grantor, the grantor's heirs, executors, and administrators that, at the time of the delivery of the deed, the grantor was lawfully seized in fee simple of the mobile home; that the mobile home was free from all encumbrances, except as stated; that the grantor had good right to sell and convey the same to the grantee, the grantee's heirs, successors, and assigns, and that the grantor and the~~

~~grantor's heirs, executors, and administrators shall warrant and defend the same to the grantee and the grantee's heirs, successors, and assigns, against the lawful claims and demands of all persons except as stated. No owner of land on which a mobile home is sited shall unreasonably withhold the consent required by this statutory form. A warranty deed described in this subsection may take the following form.~~

Form for Mobile Home Warranty Deed

~~_____ , of _____ , _____ County, State of _____ ,
("Grantor"), for consideration paid, grants to _____ of Street, Town
(City) of _____ , _____ County, State of _____ ("Grantee"),
with warranty covenants, the _____ (description of mobile home being
conveyed: name of manufacturer, model and serial number, and
encumbrances, exceptions, reservations, if any) which mobile home is situated,
or is to be situated, at _____ (state name of park, if any, and street
address), Town (City) of _____ , _____ County, State of Vermont.
The tract or parcel of land upon which the mobile home is situated, or is to be
situated, is owned by _____ by deed dated and recorded at
Book _____ , Page _____ in the land records of the Town (City) of

_____ (wife) (husband) of said Grantor, releases to said Grantee all
rights and other interests therein.~~

Signed this _____ day of _____

(Here add acknowledgment)

_____, owner of the tract or parcel of land upon which the
aforesaid mobile home is situated, or is to be situated, hereby consents to the
conveyance of the mobile home.

Signed this _____ day of _____, _____.

(Here add acknowledgment)

Check box if the mobile home has been relocated from one site to another
within Vermont, and attach a Relocation Statement in the form provided in
section 2606 of this title.

~~(d) A quitclaim deed that is substantially in the form provided in this
subsection shall, when duly executed and delivered, have the force and effect of
a deed in fee simple to the grantee, the heirs, successors, and assigns, to their
own use subject to encumbrances of record. No owner of land on which the
mobile home is sited shall unreasonably withhold consent required by this
statutory form. A warranty deed described in this subsection may take the
following form.~~

Form for Mobile Home Quitclaim Deed

_____, of _____, _____ County, State of _____

("Grantor"), for consideration paid, grants to _____ of _____

Street, Town (City) of _____, _____ County, State of _____

~~(“Grantee”), with quitclaim covenants, the (description of mobile home being conveyed: name of manufacturer, model and serial number, and encumbrances, exceptions, reservations, if any) which mobile home is situated, or is to be situated, at _____ (state name of park, if any, and street address), Town (City) of _____ County, State of Vermont.~~

~~The tract or parcel of land upon which the mobile home is situated, or is to be situated, is owned by _____ by deed dated _____ and recorded at Book _____, Page _____, in the land records of the Town (City) of _____.~~

~~_____ (wife) (husband) of said Grantor releases to said Grantee all rights and other interest therein.~~

~~Signed this _____ day of _____, _____.~~

~~(Here add acknowledgment)~~

~~_____, owner of the parcel of land upon which the aforesaid mobile home is situated, or is to be situated, hereby consents to the conveyance of the mobile home.~~

~~Signed this _____ day of _____, _____.~~

~~(Here add acknowledgment)~~

~~[] Check box if the mobile home has been relocated from one site to another within Vermont, and attach a relocation statement in the form provided in section 2606 of this title.~~

~~(a) Nothing in this section shall prevent a mobile home owner from conveying a mobile home by a bill of sale pursuant to section 2602 of this title or financing or refinancing a mobile home pursuant to section 2603 of this title, notwithstanding whether the mobile home was previously conveyed, financed, or refinanced as residential real estate.~~

~~§ 2605. MOBILE HOME BILL OF SALE CONVERSION PROCESS~~

~~The owner of any mobile home that was initially financed pursuant to a motor vehicle loan, motor vehicle retail installment contract, or another form of chattel mortgage shall, if the mobile home is subsequently financed as residential real estate pursuant to subsection 2603(b) of this title, file a request for purging of the security interest with the clerk of the municipality where the chattel mortgage for the mobile home was last recorded.~~

~~(1) A request to purge the security interest of a mobile home shall include the most recent Vermont uniform bill of sale or certificate of origin, the terminated UCC financing statement or statements, and an executed warranty or quitclaim deed, which shall be drafted substantially in the form provided in section 2604 of this title.~~

~~(2) Upon the filing of a request to purge the security interest of a mobile home with the clerk of the municipality where the chattel mortgage for the mobile home was last recorded, and upon the owner's procuring the consent of~~

~~the holders of any security interest in the mobile home shown to be unreleased,
the mobile home shall become residential real estate.~~

~~(3) Upon receiving a request to purge the security interest of a mobile
home, the municipal clerk shall mark or stamp the originally filed Vermont
uniform bill of sale or certificate of origin with the word "converted."~~

~~(4) A mobile home that has been converted to residential real estate
shall not be converted or redefined as personal property. [Repealed.]~~

~~***~~

~~*** Limited Equity Cooperatives ***~~

~~Sec. 2. 11 V.S.A. § 1583 is amended to read:~~

~~§ 1583. DEFINITIONS~~

~~The definitions contained in Title 11A shall apply to this chapter. As used in
this chapter, the following terms shall have the meanings indicated, unless the
context otherwise requires:~~

~~***~~

~~(16) "Mobile home park" has the same meaning as in 10 V.S.A. § 6201.~~

~~Sec. 3. 11 V.S.A. § 1598 is amended to read:~~

~~§ 1598. LIMITED EQUITY COOPERATIVES~~

~~(a) A cooperative housing corporation may organize as a limited equity
cooperative in order to fulfill the public purpose of providing and preserving
housing for persons and households of low and moderate income at the time~~

~~that they purchase their memberships. In addition to safeguarding the foregoing public purpose, a limited equity cooperative shall meet the following requirements:~~

~~(1) The articles of incorporation shall require that cooperative interests be sold at not more than a transfer value determined by a limited equity formula contained in the articles. That value shall be consistent with the object of maintaining long-term affordability of cooperative interests for persons or households of low and moderate income.~~

~~(2) A limited equity formula, once established by a cooperative housing corporation in its articles of incorporation, may be amended only if that amendment does not make the cooperative membership unaffordable for the class of low- or moderate-income households for which the cooperative housing corporation was originally incorporated, as determined and certified by the Commissioner of Housing and Community Affairs Development. A cooperative housing corporation once organized under this section may not reorganize as other than a limited equity cooperative without first dissolving.~~

~~(3) A limited equity cooperative shall not sell all or substantially all of its assets if such sale is intended to circumvent the public purposes of this section.~~

~~(4) The articles of incorporation shall require that the cooperative housing corporation shall have the first right to repurchase a member's cooperative interest.~~

~~(5) The articles of incorporation shall require that the total distribution out of capital to a member shall not exceed that transfer value.~~

~~(6) The articles of incorporation shall require that upon dissolution of the cooperative housing corporation, any assets remaining after retirement of corporate debts and distribution to members shall be distributed to a charitable organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, a public agency, or another limited equity cooperative whose formula for determining transfer value shall be not less restrictive than that of the cooperative housing corporation being dissolved.~~

~~(7) The articles of incorporation shall require that no sublease of a unit shall provide for monthly payments by the sublessee in excess of 110 percent of monthly payments for the unit provided for in the proprietary lease.~~

~~(8) Notwithstanding subdivision (7) of this subsection (a), for a mobile home park organized as a limited equity cooperative, the articles of incorporation shall:~~

~~(A) prohibit the subleasing of a unit, unless.~~

~~(i) a member demonstrates a hardship, in which case the board of directors may by an affirmative vote of the majority grant an exemption from the prohibition; and~~

~~(ii) the unit is subleased to an individual of low or moderate income; and~~

~~(B) require that a unit owner shall not sublease a unit under this subdivision (8) for a higher amount than necessary to cover the costs of the unit to the member, including the costs of the monthly payment for the unit provided for in the proprietary lease, the costs of any mortgage for the unit owner, and any costs of utilities passed on to the sublessee.~~

~~(b) A mobile home park organized as a limited equity cooperative shall be treated for the purposes of State funding and grants as if it were incorporated as a State nonprofit corporation for a public purpose and public benefit under the laws of this State. Nothing in this section shall be deemed to alter or change specific funding or grant requirements, including the definition of low or moderate income, as outlined in any program, funding, or grant source.~~

~~*** Municipal Zoning ***~~

~~Sec. 4. 24 V.S.A. § 4412 is amended to read:~~

~~§ 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS~~

~~Notwithstanding any existing bylaw, the following land development provisions shall apply in every municipality.~~

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

~~***~~

~~(B) Except as provided in subdivisions 4414(1)(E) and (F) of this title, no bylaw shall have the effect of excluding mobile homes, modular housing, or prefabricated housing from any district that allows year-round residential development in the municipality, except upon the same terms and conditions as conventional housing is excluded. A municipality may establish specific site standards in the bylaws to regulate individual sites within preexisting mobile home parks with regard to distances between structures and other standards as necessary to ensure public health, safety, and welfare, provided the standards do not have the effect of prohibiting the replacement of mobile homes on existing lots.~~

~~***~~

~~*** Sales and Use Tax Exemption ***~~

~~Sec. 5. 32 V.S.A. § 9706(s) is amended to read:~~

~~(s) The statutory purpose of the exemption for sales of mobile homes and modular housing in subdivision 9741(32)(A) of this title is to create equity between mobile and modular housing and traditional residential construction by providing an exemption for the estimated portion of the cost attributable to labor (versus materials). The statutory purpose of the exemption for sales of~~

~~mobile homes in subdivision 9741(32)(B) of this title is to ensure that all sales of mobile homes, as defined in 10 V.S.A. § 6201, are treated similarly for purposes of the property transfer tax imposed under chapter 231 of this title.~~

~~Sec. 6. 32 V.S.A. § 9741 is amended to read:~~

~~§ 9741. SALES NOT COVERED~~

~~Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title:~~

~~* * *~~

~~(32)(A) Forty percent of the receipts from sales of mobile homes, as defined in 9 V.S.A. § 2601(a)(2), and modular housing, when they are sold as tangible personal property.~~

~~(B) Sales of mobile homes, as defined in 10 V.S.A. § 6201, when sold as tangible personal property.~~

~~* * *~~

~~* * * Property Transfer Tax * * *~~

~~Sec. 7. 32 V.S.A. § 9601 is amended to read:~~

~~§ 9601. DEFINITIONS~~

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

~~(5) “Transfer” includes a grant, assignment, conveyance, will, trust, decree of court, transfer or acquisition of a direct or indirect controlling interest in any person with title to property, or any other means of transferring title to property or vesting title to property in any person. In the case of a mobile home sold as tangible personal property, “transfer” includes a sale.~~

~~(6)(A) “Value” means:~~

~~(i) in the case of any transfer of title to property that is not a gift and that is not made for a nominal or no consideration, the amount of the full actual consideration for such transfer, paid or to be paid, including the amount of any liens or encumbrances on the property existing before the transfer and not removed thereby;~~

~~(ii) in the case of a gift, or a transfer for nominal or no consideration, the fair market value of the property transferred; ~~and~~~~

~~(iii) in the case of a controlling interest in any person that has title to property, the fair market value of the property, apportioned based on the percentage of the ownership interest transferred or acquired in the person; and~~

~~(iv) in the case of a mobile home sold as tangible personal property, the amount of the full actual consideration for such sale, paid or to be paid, including the amount of any liens or encumbrances on the tangible personal property existing before the sale and not removed thereby.~~

~~(10) "Property" means real property and, in the case of a mobile home sold as tangible personal property, tangible personal property. The term does not include personal property transferred with real property other than a mobile home.~~

~~***~~

~~(13) "Mobile home" has the same meaning as in 10 V.S.A. § 6201.~~

~~Sec. 8. 32 V.S.A. § 9602 is amended to read:~~

~~§ 9602. TAX ON TRANSFER OF TITLE TO PROPERTY~~

~~A tax is hereby imposed upon the transfer by deed of title to property located in this State, or a transfer or acquisition of a controlling interest in any person with title to property in this State, or the sale of a mobile home as tangible personal property in this State. The amount of the tax equals 1.25 percent of the value of the property transferred, or \$1.00, whichever is greater; except as follows:~~

~~***~~

~~Sec. 9. 32 V.S.A. § 9605 is amended to read:~~

~~§ 9605. PAYMENT OF TAX~~

~~(a) The tax imposed by this chapter shall be paid to the Commissioner within 30 days after transfer of title to property subject to the tax or, in the case of a transfer or acquisition of a controlling interest in a person with title to property for which a deed is not given, within 30 days after transfer of~~

~~acquisition; or, in the case of a sale of a mobile home as tangible personal property, within 30 days after sale.~~

~~***~~

~~Sec. 10. 32 V.S.A. § 9606 is amended to read:~~

~~§ 9606. PROPERTY TRANSFER RETURN~~

~~(a)(1) In the case of property transfer by deed, a property transfer return complying with this section shall be delivered to a town clerk at the time a deed evidencing a transfer of title to property is delivered to the clerk for recording.~~

~~(2) In the case of transfer or acquisition of a controlling interest in a person with title to property for which a deed is not given, a property transfer return complying with this section shall be delivered to the Commissioner within 30 days after the transfer or acquisition.~~

~~(3) In the case of sale of a mobile home as tangible personal property, a property transfer return complying with this section shall be delivered to a town clerk at the time an executed mobile home uniform bill of sale is filed with the clerk.~~

~~***~~

~~(e)(1) In the case of property transferred by deed, the Commissioner of Taxes is authorized to disclose to any person any information appearing on a property transfer tax return, including statistical information derived~~

~~therefrom, and such information derived from research into information appearing on property transfer tax returns as is necessary to determine if the property being transferred is subject to 10 V.S.A. chapter 151, except the Commissioner shall not disclose the Social Security number, federal identification number, ~~e-mail~~ email address, or telephone number of any person pursuant to this subsection.~~

~~(2) In the case of transfer or acquisition of a controlling interest in a person with title to property for which a deed is not given or the sale of a mobile home as tangible personal property, the return submitted to the Commissioner shall be treated as a tax return and tax return information under section 3102 of this title.~~

~~Sec. 11. 32 V.S.A. § 9607 is amended to read:~~

~~§ 9607. ACKNOWLEDGMENT OF RETURN AND TAX PAYMENT~~

~~Upon the receipt by a town clerk of a property transfer return and certificate and the fee required under subdivision 1671(a)(6) of this title, the clerk shall forthwith mail or otherwise deliver to the transferee of title to property or purchaser of a mobile home as tangible personal property with respect to which such return was filed a signed and written acknowledgment of the receipt of that return and certificate. A copy of that acknowledgment, or any other form of acknowledgment approved by the Commissioner, shall be affixed to the deed evidencing the transfer of property, ~~or the document~~~~

~~evidencing the transfer or acquisition of a direct or indirect controlling interest in any person with title to property, or the mobile home uniform bill of sale with respect to which the return and certificate was filed. The acknowledgment so affixed to a deed, or document, or bill of sale, however, shall not disclose the amount of tax paid with respect to any return or transfer.~~

~~*** MHLEC Appraisals ***~~

~~Sec. 12. MOBILE HOME LIMITED EQUITY COOPERATIVES;
APPRAISED VALUE REPORT~~

~~On or before November 15, 2026, the Department of Taxes shall submit a written report to the House Committees on General and Housing and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs and on Finance with an inventory and analysis of the current appraised value of each mobile home park registered as a limited equity cooperative under 11 V.S.A. chapter 14. The report shall include:~~

~~(1) a description of the different appraisal methods used across the State;~~

~~(2) an examination of any justifications for differences in approach; and~~

~~(3) recommendations for ensuring consistent and appropriate appraisal,~~

~~taking into consideration the limitations under 11 V.S.A. § 1596.~~

**** Secretary of State Business Registration ****

Sec. 13. SECRETARY OF STATE BUSINESS REGISTRATION

The Secretary of State may, upon request from a limited equity cooperative organized in accordance with 11 V.S.A. § 1598, update the limited equity cooperative's registration to ensure proper reflection of the limited equity cooperative's corporate business organization structure within the Secretary of State's systems.

**** Conforming Revisions ****

Sec. 14. CONFORMING REVISIONS

When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Counsel shall replace "mobile home" with "manufactured home" throughout the statutes as needed for consistency with this act, provided the revisions have no other effect on the meaning of the affected statutes.

**** Effective Date ****

Sec. 15. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

**** Manufactured Homes ****

Sec. 1. 9 V.S.A. chapter 72 is amended to read:

CHAPTER 72. MOBILE HOMES

§ 2601. DEFINITIONS

(a) As used in this chapter, unless the context requires otherwise, “mobile home” means:

(1) A mobile home as defined in 10 V.S.A. § 6201.

(2) An unmotorized vehicle, other than a travel or recreational trailer, designed to be towed and designed or equipped for use as sleeping, eating, or living quarters.

(b) A mobile home remains a mobile home for purposes of this chapter even though it may be used for advertising, sales, display, or promotion of merchandise or services, or for any other commercial purposes except the transportation of property.

(c) A mobile home that was financed as residential real estate shall be defined as residential real estate.

(d) “Permanently sited” means the mobile home has become affixed to the land. Factors that tend to show a mobile home is permanently sited include one or more of the following:

(1) The mobile home has been set up on blocks or otherwise stabilized so that the wheels do not form a major part of the structural support.

(2) The mobile home has been connected to utilities such as electricity, sewage, water, gas, or oil.

(3) Skirting has been installed around the base of the mobile home.

(4) The wheels or axles have been removed.

(5) *The mobile home has been situated in a place that makes removal unlikely.*

* * *

§ 2604. *REAL ESTATE DEEDS FOR MOBILE HOMES*

(a) *Any mobile home purchased from a mobile home dealer on or after July 1, 2008, that is financed as residential real estate pursuant to subsection 2603(b) of this title shall be conveyed by a warranty deed drafted in substantially the form provided in subsection (c) of this section.*

(b) *An owner of a mobile home shall, upon financing or refinancing a mobile home as residential real estate or selling a mobile home that has been financed as residential real estate or will be so financed by the grantee, issue to the grantee either a warranty deed or a quitclaim deed that is drafted in substantially the form provided in subsection (c) or (d) of this section.*

(c) *A warranty deed that is substantially in the form provided in this subsection shall, when duly executed and delivered, have the force and effect of a deed in fee simple to the grantee, the heirs, successors, and assigns, to their own use, with covenants on the part of the grantor; for the grantor; the grantor's heirs, executors, and administrators that, at the time of the delivery of the deed, the grantor was lawfully seized in fee simple of the mobile home; that the mobile home was free from all encumbrances, except as stated; that the grantor had good right to sell and convey the same to the grantee, the*

grantee's heirs, successors, and assigns; and that the grantor and the grantor's heirs, executors, and administrators shall warrant and defend the same to the grantee and the grantee's heirs, successors, and assigns, against the lawful claims and demands of all persons except as stated. ~~No owner of land on which a mobile home is sited shall unreasonably withhold the consent required by this statutory form.~~

Form for Mobile Home Warranty Deed

_____, of _____, _____ County, State of _____, ("Grantor"), for consideration paid, grants to _____ of Street, Town (City) of _____, _____ County, State of _____ ("Grantee"), with warranty covenants, the _____ (description of mobile home being conveyed: name of manufacturer, model and serial number, and encumbrances, exceptions, reservations, if any) which mobile home is situated, or is to be situated, at _____ (state name of park, if any, and street address), Town (City) of _____, _____ County, State of Vermont. The tract or parcel of land upon which the mobile home is situated, or is to be situated, is owned by _____ by deed dated and recorded at Book _____, Page _____ in the land records of the Town (City) of _____.

_____ (~~wife~~) (~~husband spouse~~) of said Grantor, releases to said Grantee all rights and other interests therein.

Signed this _____ day of _____, _____.

(Here add acknowledgment)

*_____, owner of the tract or parcel of land upon which the
aforesaid mobile home is situated, or is to be situated, hereby consents to the
conveyance of the mobile home.*

Signed this _____ day of _____, _____.

(Here add acknowledgment)

*[] Check box if the mobile home has been relocated from one site to another
within Vermont, and attach a Relocation Statement in the form provided in
section 2606 of this title.*

*(d) A quitclaim deed that is substantially in the form provided in this
subsection shall, when duly executed and delivered, have the force and effect of
a deed in fee simple to the grantee, the heirs, successors, and assigns, to their
own use subject to encumbrances of record. ~~No owner of land on which the
mobile home is sited shall unreasonably withhold consent required by this
statutory form.~~*

Form for Mobile Home Quitclaim Deed

*_____, of _____, _____ County, State of _____
("Grantor"), for consideration paid, grants to _____ of _____
Street, Town (City) of _____, _____ County, State of _____
("Grantee"), with quitclaim covenants, the (description of mobile home being*

conveyed: name of manufacturer, model and serial number, and encumbrances, exceptions, reservations, if any) which mobile home is situated, or is to be situated, at _____ (state name of park, if any, and street address), Town (City) of _____ County, State of Vermont.

The tract or parcel of land upon which the mobile home is situated, or is to be situated, is owned by _____ by deed dated _____ and recorded at Book _____, Page _____, in the land records of the Town (City) of _____.

_____ (~~wife~~) (~~husband~~ spouse) of said Grantor releases to said Grantee all rights and other interest therein.

Signed this _____ day of _____, _____.

(Here add acknowledgment)

_____, owner of the parcel of land upon which the aforesaid mobile home is situated, or is to be situated, hereby consents to the conveyance of the mobile home.

Signed this _____ day of _____, _____.

(Here add acknowledgment)

[] Check box if the mobile home has been relocated from one site to another within Vermont, and attach a relocation statement in the form provided in section 2606 of this title.

** * **

** * * Limited Equity Cooperatives * * **

Sec. 2. 11 V.S.A. § 1583 is amended to read:

§ 1583. DEFINITIONS

The definitions contained in Title 11A shall apply to this chapter. As used in this chapter, the following terms shall have the meanings indicated, unless the context otherwise requires:

** * **

(16) “Mobile home park” has the same meaning as in 10 V.S.A. § 6201.

Sec. 3. 11 V.S.A. § 1598 is amended to read:

§ 1598. LIMITED EQUITY COOPERATIVES

(a) A cooperative housing corporation may organize as a limited equity cooperative in order to fulfill the public purpose of providing and preserving housing for persons and households of low and moderate income at the time that they purchase their memberships. In addition to safeguarding the foregoing public purpose, a limited equity cooperative shall meet the following requirements:

** * **

(6) The articles of incorporation shall require that upon dissolution of the cooperative housing corporation, any assets remaining after retirement of corporate debts and distribution to members shall be distributed to a charitable organization described in Section 501(c)(3) of the Internal Revenue

Code of 1986, as amended, a public agency, or another limited equity cooperative whose formula for determining transfer value shall be not less restrictive than that of the cooperative housing corporation being dissolved.

(7) The articles of incorporation shall require that no sublease of a unit shall provide for monthly payments by the sublessee in excess of 110 percent of monthly payments for the unit provided for in the proprietary lease.

(8) Notwithstanding subdivision (7) of this subsection, for a mobile home park organized as a limited equity cooperative, the articles of incorporation shall:

(A) prohibit the subleasing of a unit, unless:

(i) a member demonstrates a hardship, in which case the board of directors may by an affirmative vote of the majority grant an exemption from the prohibition; and

(ii) the unit is subleased to an individual of low or moderate income; and

(B) require that a unit owner shall not sublease a unit under this subdivision (8) for a higher amount than necessary to cover the costs of the unit to the member, including the costs of the monthly payment for the unit provided for in the proprietary lease, the costs of any mortgage for the unit owner, and any costs of utilities passed on to the sublessee.

(b)(1) A mobile home park organized as a limited equity cooperative shall be treated for the purposes of State funding and grants as if it were incorporated as a State nonprofit corporation for a public purpose and public benefit under the laws of this State. Nothing in this section shall be deemed to alter or change specific funding or grant requirements, including the definition of low or moderate income, as outlined in any program, funding, or grant source.

(2) Nothing in this subsection shall be interpreted to impact or alter the tax treatment of a mobile home park organized as a limited equity cooperative.

* * * Municipal Zoning * * *

Sec. 4. 24 V.S.A. § 4412 is amended to read:

§ 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

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

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

* * *

(B) Except as provided in subdivisions 4414(1)(E) and (F) of this title, no bylaw shall have the effect of excluding mobile homes, modular housing, or prefabricated housing from any district that allows year-round residential development in the municipality, except upon the same terms and

conditions as conventional housing is excluded. A municipality may establish specific site standards in the bylaws to regulate individual sites within preexisting mobile home parks with regard to distances between structures and other standards as necessary to ensure public health, safety, and welfare, provided the standards do not have the effect of prohibiting the replacement of mobile homes on existing lots.

* * *

** * * Sales and Use Tax Exemption * * **

Sec. 5. 32 V.S.A. § 9706 is amended to read:

§ 9706. STATUTORY PURPOSE

* * *

(s) The statutory purpose of the exemption for sales of mobile homes and modular housing in subdivision 9741(32) of this title is to create equity between mobile and modular housing and traditional residential construction by ~~providing an exemption for the estimated portion of the cost attributable to labor (versus materials).~~

* * *

(pp) The statutory purpose of the exemption for new energy-efficient mobile homes in subdivision 9741(57) of this title is to create parity with the tax treatment of new energy-efficient mobile homes treated as real property.

Sec. 6. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title:

** * **

(32) ~~Forty~~ Ninety percent of the receipts from sales of mobile homes, as defined in 9 V.S.A. § 2601, and modular housing, when they are sold as tangible personal property.

** * **

(57) New mobile homes, as defined in 10 V.S.A. § 6201, that:

(A) bear a label evidencing, at a minimum, greater energy efficiency under the ENERGY STAR Program established in 42 U.S.C. § 6294a; or

(B) are certified as a Zero Energy Ready Home by the U.S. Department of Energy.

** * * Secretary of State Business Registration * * **

Sec. 7. SECRETARY OF STATE BUSINESS REGISTRATION

The Secretary of State may, upon request from a limited equity cooperative organized in accordance with 11 V.S.A. § 1598, update the limited equity cooperative's registration to ensure proper reflection of the limited equity

cooperative's corporate business organization structure within the Secretary of State's systems.

** * * Conforming Revisions * * **

Sec. 8. CONFORMING REVISIONS

When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Counsel shall replace "mobile home" with "manufactured home" throughout the statutes as needed for consistency with this act, provided the revisions have no other effect on the meaning of the affected statutes.

** * * Effective Dates * * **

Sec. 9. EFFECTIVE DATES

This act shall take effect on July 1, 2026, except that Secs. 5 and 6 (sales and use tax exemption) shall take effect on January 1, 2027.