

S.127

Introduced by Committee on Economic Development, Housing and General  
Affairs

Date: March 18, 2025

Subject: Housing; housing programs; conservation and development; land use;  
municipal zoning; Vermont Bond Bank; taxation and finance; tax  
credits

Statement of purpose of bill as introduced: This bill proposes to make  
multiple changes related to housing programs. Specifically, the bill proposes  
to make amendments to the Vermont Rental Housing Improvement Program  
and create the Manufactured Home Improvement and Repair Program, create  
the Vermont Infrastructure Sustainability Fund, allow for tax credits for the  
First-Generation Homebuyer and Down Payment Assistance Program, make  
changes to the Brownfield Property Cleanup Program, create a study  
committee related to disability housing, and require multiple housing-related  
reports. This bill additionally proposes to create the Community Housing  
Infrastructure Program, administered by the Vermont Economic Progress  
Council, to authorize municipalities to use tax increment financing to pay for  
infrastructure that will stimulate the development of housing.

An act relating to housing and housing development

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

2 ~~\*\*\* Vermont Rental Housing Improvement Program \*\*\*~~

3 Sec. 1. 10 V.S.A. § 699 is amended to read:

4 § 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

5 (a) Creation of Program.

6 \* \* \*

7 (5)(A) The Department may cooperate with and subgrant funds to State  
8 agencies and governmental subdivisions and public and private organizations  
9 in order to carry out the purposes of this subsection (a).

10 (B) Solely with regards to actions undertaken pursuant to this  
11 subdivision (5), entities, including grantees, subgrantees, and contractors of the  
12 State, shall be exempt from the provisions of 8 V.S.A. chapter 73 (licensed  
13 lenders, mortgage brokers, mortgage loan originators, sales finance companies,  
14 and loan solicitation companies).

15 \* \* \*

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

17 (1)(A) A grant or loan shall not exceed:

18 (i) ~~\$70,000.00 per unit, for rehabilitation or creation of an eligible~~  
19 ~~rental housing unit meeting the applicable building accessibility requirements~~  
20 ~~under the Vermont Access Rules, or~~

1 ~~(ii) \$50,000.00 per unit, for rehabilitation or creation of any other~~  
2 eligible rental housing unit. Up to an additional \$20,000.00 per unit may be  
3 made available for specific elements that collectively bring the unit to the  
4 visitable standard outlined in the rules adopted by the Vermont Access Board.

5 \* \* \*

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

9 (1) A landlord shall coordinate with nonprofit housing partners and  
10 local ~~coordinated entry~~ homelessness service organizations approved by the  
11 Department to identify potential tenants.

12 (2)(A) Except as provided in subdivision (2)(B) of this subsection  
13 subdivision (e)(2), a landlord shall lease the unit to a household that is:

14 (i) exiting homelessness, including any individual under 25 years  
15 of age who secures housing through a master lease held by a youth service  
16 provider on behalf of individuals under 25 years of age;

17 (ii) actively working with an immigrant or refugee resettlement  
18 program; or

19 (iii) composed of at least one individual with a disability who  
20 ~~receives or is eligible approved to receive Medicaid-funded home and~~

~~community based home and community based services or Social Security~~

Disability Insurance;

(iv) displaced due to activity related to climate change or due to a natural disaster; or

(v) with approval from the Department in writing, an organization that will hold a master lease that explicitly states the unit will be used in service of the populations described in this subsection (e).

\* \* \*

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

(B) A landlord who converts a grant to a forgivable loan shall receive a 10-percent prorated credit for loan forgiveness for each year in which the landlord participates in the Program.

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

(1) ~~A landlord shall coordinate with nonprofit housing partners and local coordinated entry organizations to identify potential tenants~~ The total cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of

1 ~~Housing and Urban Development, except that a landlord may accept a housing~~  
2 ~~voucher that exceeds fair market rent, if available.~~

3 (2)(A) ~~Except as provided in subdivision (2)(B) of this subsection (f), a~~  
4 ~~landlord shall lease the unit to a household that is:~~

5 (i) ~~exiting homelessness, including any individual under 25 years~~  
6 ~~of age who secures housing through a master lease held by a youth service~~  
7 ~~provider on behalf of individuals under 25 years of age;~~

8 (ii) ~~actively working with an immigrant or refugee resettlement~~  
9 ~~program; or~~

10 (iii) ~~composed of at least one individual with a disability who is~~  
11 ~~eligible to receive Medicaid-funded home and community-based services.~~

12 (B) ~~If, upon petition of the landlord, the Department or the housing~~  
13 ~~organization that issued the grant determines that a household under~~  
14 ~~subdivision (2)(A) of this subsection (f) is not available to lease the unit, then~~  
15 ~~the landlord shall lease the unit:~~

16 (i) ~~to a household with an income equal to or less than 80 percent~~  
17 ~~of area median income; or~~

18 (ii) ~~if such a household is unavailable, to another household with~~  
19 ~~the approval of the Department or housing organization.~~

20 (3)(A) ~~A landlord shall accept any housing vouchers that are available~~  
21 ~~to pay all, or a portion of, the tenant's rent and utilities.~~

1 ~~(P) If no housing voucher or federal or State subsidy is available, the~~  
2 ~~cost of rent for the unit, including utilities not covered by rent payments, shall~~  
3 ~~not exceed the applicable fair market rent established by the Department of~~  
4 ~~Housing and Urban Development.~~

5 (4) The Department shall forgive 10 percent of the a prorated amount of  
6 a forgivable loan for each year a landlord participates in the loan program.

7 \* \* \*

8 (i) Creation of the Vermont Rental Housing Improvement Program  
9 Revolving Fund. Funds repaid or returned to the Department from forgivable  
10 loans or grants funded by the Program shall return to the Vermont Rental  
11 Housing Improvement Revolving Fund to be used for Program expenditures  
12 and administrative costs at the discretion of the Department.

13 \* \* \* MHIR \* \* \*

14 Sec. 2. 10 V.S.A. § 700 is added to read:

15 § 700. VERMONT MANUFACTURED HOME IMPROVEMENT AND  
16 REPAIR PROGRAM

17 (a) There is created within the Department of Housing and Community  
18 Development the Manufactured Home Improvement and Repair Program. The  
19 Department shall design and implement the Program to award funding to  
20 statewide or regional nonprofit housing organizations, or both, to provide  
21 financial assistance or awards to manufactured homeowners and manufactured

1 ~~home park owners to improve existing homes, incentivize new slab placement~~  
2 for prospective homeowners, and incentivize park improvements for infill of  
3 more homes.

4 (b) The following projects are eligible for funding through the Program:

5 (1) The Department may award up to \$20,000.00 to owners of  
6 manufactured housing communities to complete small-scale capital needs to  
7 help infill vacant lots with homes, including disposal of abandoned homes, lot  
8 grading and preparation, the siting and upgrading of electrical boxes,  
9 enhancing E-911 safety issues, transporting homes out of flood zones, and  
10 improving individual septic systems. Costs awarded under this subdivision  
11 may also cover legal fees and marketing to help make it easier for  
12 homeseekers to find vacant lots around the State.

13 (2) The Department may award funding to manufactured homeowners  
14 for which the home is their primary residence to address habitability and  
15 accessibility issues to bring the home into compliance with safe living  
16 conditions.

17 (3) The Department may award up to \$15,000.00 per grant to a  
18 homeowner to pay for a foundation or federal Department of Housing and  
19 Urban Development-approved slab, site preparation, skirting, tie-downs, and  
20 ~~utility connections on vacant lots within a manufactured home community.~~

1 ~~(c) The Department may adopt rules, policies, and guidelines to aid in~~  
2 enacting the Program.

3 \* \* \* Vermont Infrastructure Sustainability Fund \* \* \*

4 Sec. 3. 24 V.S.A. chapter 119, subchapter 6 is amended to read:

5 Subchapter 6. Special Funds

6 \* \* \*

7 § 4686. VERMONT INFRASTRUCTURE SUSTAINABILITY FUND

8 (a) Creation. There is created the Vermont Infrastructure Sustainability  
9 Fund within the Vermont Bond Bank.

10 (b) Purpose. The purpose of the Fund is to provide capital to extend and  
11 increase capacity of water and sewer service and other public infrastructure in  
12 municipalities where lack of extension or capacity is a barrier to housing  
13 development.

14 (c) Administration. The Vermont Bond Bank may administer the Fund in  
15 coordination with and support from other State agencies, government  
16 component parts, and quasi-governmental agencies.

17 (d) Program parameters.

18 (1) The Vermont Bond Bank, in consultation with the Department of  
19 Housing and Community Development, shall develop program guidelines to  
20 effectively implement the Fund.



1 ~~(2) The program shall provide low interest loans or bonds to~~  
2 municipalities to expand infrastructure capacity. Eligible activities include:  
3 (A) preliminary engineering and planning;  
4 (B) engineering design and bid specifications;  
5 (C) construction for municipal waste and wastewater systems;  
6 (D) transportation investments, including those required by  
7 municipal regulation, the municipality's official map, designation  
8 requirements, or other planning or engineering identifying complete streets  
9 and transportation and transit related improvements, including improvements  
10 to existing streets; and  
11 (E) other eligible activities as determined by the guidelines produced  
12 by the Vermont Bond Bank in consultation with the Department of Housing  
13 and Community Development.  
14 (e) Application requirements. Eligible project applications shall  
15 demonstrate:  
16 (1) the project will create reserve capacity necessary for new housing  
17 unit development;  
18 (2) the project has a direct link to housing unit production; and  
19 (3) the municipality has a commitment to own and operate the project  
20 throughout its useful life.

1 ~~(f) Application criteria. In addition to any criteria developed in the~~  
2 program guidelines, project applications shall be evaluated using the following  
3 criteria:

4 (1) whether there is a direct connection to proposed or in-progress  
5 housing development with demonstrable progress toward regional housing  
6 targets;

7 (2) whether the project is an expansion of an existing system and the  
8 proximity to a designated area;

9 (3) the project readiness and estimated time until the need for financing;

10 (4) the ranking of the community on the Vermont Department of  
11 Finance and Management, Vermont Community Index; and

12 (5) the demonstration of financing for project completion or completion  
13 of a project component.

14 (g) Award terms. The Vermont Bond Bank, in consultation with the  
15 Department of Housing and Community Development, shall establish award  
16 terms that may include:

17 (1) the maximum loan or bond amount;

18 (2) the maximum term of the loan or bond amount;

19 (3) the time by which amortization shall commence;

20 ~~(4) the maximum interest rate;~~

1 ~~(5) whether the loan is eligible for forgiveness and to what percentage~~

2 or amount;

3 (6) the necessary security for the loan or bond; and

4 (7) any additional covenants encumbering the improved properties to  
5 further secure the loan or bond.

6 (h) Revolving fund. Any funds repaid or returned from the Infrastructure  
7 Sustainability Fund shall be deposited into the Fund and used to continue the  
8 program established in this section.

9 ~~\*\*\* VHEA First Generation Homebuyer Program and Down Payment~~

10 Assistance Program \*\*\*

11 Sec. 4. 32 V.S.A. § 5930u is amended to read:

12 § 5930u. TAX CREDIT FOR AFFORDABLE HOUSING

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

14 \* \* \*

15 (11) “First-generation homebuyer” means a homebuyer who self-attests  
16 that the homebuyer is an individual:

17 (A) whose parents or legal guardians:

18 (i) do not have and during the homebuyer’s lifetime have not had  
19 any residential ownership interest in any state; or

20 (ii) lost ownership of a home due to foreclosure, short sale, or

21 ~~need in lieu of foreclosure and have not owned a home since that loss, or~~

1 ~~(B) who has at any time been placed in foster care.~~

2 \* \* \*

3 (g) Credit allocation.

4 (1) In any fiscal year, the allocating agency may award up to:

5 (A) \$400,000.00 in total first-year credit allocations to all applicants  
6 for rental housing projects, for an aggregate limit of \$2,000,000.00 over any  
7 given five-year period that credits are available under this subdivision (A).

8 (B) \$675,000.00 in total first-year credit allocations for loans or  
9 grants for owner-occupied unit financing or down payment loans as provided  
10 in subdivision (b)(2) of this section consistent with the allocation plan,  
11 including for new construction and manufactured housing, for an aggregate  
12 limit of \$3,375,000.00 over any given five-year period that credits are  
13 available under this subdivision (B). Of the total first-year credit allocations  
14 made under this subdivision (B), \$250,000.00 shall be used each fiscal year for  
15 manufactured home purchase and replacement.

16 (C) \$250,000.00 in total first-year credit allocations for grants to  
17 first-time homebuyers who are also first-generation homebuyers as provided in  
18 subdivision (b)(3)(D) of this section, for an aggregate limit of \$1,250,000.00  
19 over any given five-year period that credits are available under this subdivision  
20 (C).

1 ~~(2) If the allocating agency determines that the amount allocated to a taxpayer, the Agency may reclaim the amount not allocated and~~  
2 allocated to a taxpayer, the Agency may reclaim the amount not allocated and  
3 re-award such allocations to other applicants, and such re-awards shall not be  
4 subject to the limits set forth in subdivision (1) of this subsection.

5 (h) Credit allocation; Down Payment Assistance Program.

6 (1) In fiscal year 2016 through fiscal year 2019, the allocating agency  
7 may award up to \$125,000.00 in total first-year credit allocations for loans  
8 through the Down Payment Assistance Program created in subdivision (b)(2)  
9 of this section.

10 (2) In fiscal year 2020 through fiscal year 2026, the allocating agency  
11 may award up to \$250,000.00 in total first-year credit allocations for loans  
12 through the Down Payment Assistance Program created in subdivision (b)(3)  
13 of this section.

14 (3) In fiscal year 2027 through fiscal year 2031, the allocating agency  
15 may award up to \$250,000.00 in total first-year credit allocations for loans  
16 through the Down Payment Assistance Program created in subdivision (b)(3)  
17 of this section.

18 ~~Sec. 4. [Deleted.]~~

*\* \* \* VHFA Rental Housing Revolving Loan Program \* \* \**

*Sec. 4. 2023 Acts and Resolves No. 47, Sec. 38 is amended to read:*

*Sec. 38. RENTAL HOUSING REVOLVING LOAN PROGRAM*

*(a) Creation; administration. The Vermont Housing Finance Agency shall*  
~~*design and implement a Rental Housing Revolving Loan Program and shall*~~

~~create and administer a revolving loan fund to provide subsidized loans for rental housing developments that serve middle-income households.~~

~~(b) Loans; eligibility; criteria.~~

~~\* \* \*~~

~~(7) The Agency shall use one or more legal mechanisms to ensure that:~~

~~(A) a subsidized unit remains affordable to a household earning the applicable percent of area median income for the longer of:~~

~~(i) seven years; or~~

~~(ii) full repayment of the loan plus three years; and~~

~~(B) during the affordability period determined pursuant to subdivision (A) of this subdivision (7), the annual increase in rent for a subsidized unit does not exceed three percent or an amount otherwise authorized by the Agency.~~

~~\* \* \*~~

\* \* \* Housing and Residential Services Planning Committee \* \* \*

Sec. 5. STATE HOUSING AND RESIDENTIAL SERVICES PLANNING  
COMMITTEE; REPORT

(a) Creation. There is created the State Housing and Residential Services Planning Committee to generate a State plan to develop housing for individuals with developmental disabilities.

(b) Membership. The Committee shall be composed of the following members:

(1) one current member of the House of Representatives, who shall be appointed by the Speaker of the House;

(2) one current member of the Senate, who shall be appointed by the Committee on Committees;

1 ~~(3) the Secretary of the Agency of Human Services or designee;~~

2 ~~(4) the Commissioner of the Department of Disabilities, Aging, and~~  
3 ~~Independent Living or designee;~~

4 ~~(5) the Commissioner of the Department of Housing and Community~~  
5 ~~Development or designee;~~

6 ~~(6) the State Treasurer or designee;~~

7 ~~(7) one member, appointed by the Developmental Disabilities Housing~~  
8 ~~Initiative;~~

9 ~~(8) the Executive Director of the Vermont Developmental Disabilities~~  
10 ~~Council;~~

11 ~~(9) one member, appointed by Green Mountain Self-Advocates;~~

12 ~~(10) one member, appointed by Vermont Care Partners; and~~

13 ~~(11) one member, appointed by the Vermont Housing and Conservation~~  
14 ~~Board.~~

15 ~~(c) Powers and duties. The Committee shall create an actionable plan to~~  
16 ~~develop housing for individuals with developmental disabilities that reflects~~  
17 ~~the diversity of needs expressed by those individuals and their families,~~  
18 ~~including individuals with high-support needs who require 24-hour care and~~  
19 ~~those with specific communication needs. The plan shall include:~~

20 ~~(1) a schedule for the creation of at least 600 additional units of service-~~  
21 ~~supported housing;~~

1 ~~(2) the number and description of the support needs of individuals with~~  
2 developmental disabilities anticipated to be served annually;

3 (3) anticipated funding needs; and

4 (4) recommendations for changes in State laws or policies that are  
5 obstacles to the development of housing needed by individuals with Medicaid-  
6 funded home-and community-based services.

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

10 (e) Report. On or before November 15, 2025, the Committee shall submit  
11 a written report to the House Committees on General and Housing and on  
12 Human Services and the Senate Committee on Economic Development,  
13 Housing and General Affairs and on Health and Welfare with its findings and  
14 any recommendations for legislative action.

15 (f) Meetings.

16 (1) The Secretary of Human Services shall call the first meeting of the  
17 Committee to occur on or before July 15, 2025.

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

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

21 ~~(4) The Committee shall cease to exist on November 30, 2025.~~



~~(2) Compensation for a legislative member of the Committee  
adjournment of the General Assembly, a legislative member of the Committee  
serving in the member's capacity as a legislator shall be entitled to per diem  
compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for  
not more than five meetings. These payments shall be made from monies  
appropriated to the General Assembly.~~

\* \* \* Housing and Public Accommodation Protections \* \* \*

Sec. 6. 9 V.S.A. § 4501 is amended to read:

§ 4501. DEFINITIONS

As used in this chapter:

\* \* \*

(12)(A) "Harass" means to engage in unwelcome conduct that detracts  
from, undermines, or interferes with a person's

(i) use of a place of public accommodation or any of the  
accommodations, advantages, facilities, or privileges of a place of public  
accommodation because of the person's race, creed, color, national origin,  
citizenship, marital status, sex, sexual orientation, gender identity, or disability;  
or

(ii) terms, conditions, privileges, or protections in the sale or  
rental of a dwelling or other real estate, or in the provision of services or

~~facilities in connection with a dwelling or other real estate, because of the~~

1 ~~person's race, sex, sexual orientation, gender identity, age, marital status,~~  
2 religious creed, color, national origin, citizenship, or disability, or because the  
3 person intends to occupy a dwelling with one or more minor children, or  
4 because the person is a recipient of public assistance, or because the person is a  
5 victim of abuse, sexual assault, or stalking.

6 \* \* \*

7 Sec. 7. 9 V.S.A. § 4502 is amended to read:

8 § 4502. PUBLIC ACCOMMODATIONS

9 (a) An owner or operator of a place of public accommodation or an agent  
10 or employee of such owner or operator shall not, because of the race, creed,  
11 color, national origin, citizenship, immigration status, marital status, sex,  
12 sexual orientation, or gender identity of any person, refuse, withhold from, or  
13 deny to that person any of the accommodations, advantages, facilities, and  
14 privileges of the place of public accommodation.

15 \* \* \*

16 Sec. 8. 9 V.S.A. § 4503 is amended to read:

17 § 4503. UNFAIR HOUSING PRACTICES

18 (a) It shall be unlawful for any person:

19 (1) To refuse to sell or rent, or refuse to negotiate for the sale or rental  
20 of, or otherwise make unavailable or deny, a dwelling or other real estate to

21 ~~any person because of the race, sex, sexual orientation, gender identity, age,~~

1 ~~marital status, religious creed, color, national origin, citizenship, or disability~~

2 of a person, or because a person intends to occupy a dwelling with one or more  
3 minor children, or because a person is a recipient of public assistance, or  
4 because a person is a victim of abuse, sexual assault, or stalking.

5 (2) To discriminate against, or to harass, any person in the terms,  
6 conditions, privileges, and protections of the sale or rental of a dwelling or  
7 other real estate, or in the provision of services or facilities in connection with  
8 a dwelling or other real estate, because of the race, sex, sexual orientation,  
9 gender identity, age, marital status, religious creed, color, national origin,  
10 citizenship, or disability of a person, or because a person intends to occupy a  
11 dwelling with one or more minor children, or because a person is a recipient of  
12 public assistance, or because a person is a victim of abuse, sexual assault, or  
13 stalking.

14 (3) To make, print, or publish, or cause to be made, printed, or  
15 published any notice, statement, or advertisement, with respect to the sale or  
16 rental of a dwelling or other real estate that indicates any preference,  
17 limitation, or discrimination based on race, sex, sexual orientation, gender  
18 identity, age, marital status, religious creed, color, national origin, citizenship,  
19 or disability of a person, or because a person intends to occupy a dwelling with  
20 one or more minor children, or because a person is a recipient of public  
21 ~~assistance, or because a person is a victim of abuse, sexual assault, or stalking~~

(1) To represent to any person because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, citizenship, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking, that any dwelling or other real estate is not available for inspection, sale, or rental when the dwelling or real estate is in fact so available.

\* \* \*

(6) To discriminate against any person in the making or purchasing of loans or providing other financial assistance for real-estate-related transactions or in the selling, brokering, or appraising of residential real property, because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, citizenship, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

(7) To engage in blockbusting practices, for profit, which may include inducing or attempting to induce a person to sell or rent a dwelling by representations regarding the entry into the neighborhood of a person or persons of a particular race, sex, sexual orientation, gender identity, age,

1 ~~marital status, religious creed, color, national origin, citizenship, or disability~~  
2 of a person, or because a person intends to occupy a dwelling with one or more  
3 minor children, or because a person is a recipient of public assistance, or  
4 because a person is a victim of abuse, sexual assault, or stalking.

5 (8) To deny any person access to or membership or participation in any  
6 multiple listing service, real estate brokers' organization, or other service,  
7 organization, or facility relating to the business of selling or renting dwellings,  
8 or to discriminate against any person in the terms or conditions of such access,  
9 membership, or participation, on account of race, sex, sexual orientation,  
10 gender identity, age, marital status, religious creed, color, national origin,  
11 citizenship, or disability of a person, or because a person is a recipient of  
12 public assistance, or because a person is a victim of abuse, sexual assault, or  
13 stalking.

14 \* \* \*

15 (12) To discriminate in land use decisions or in the permitting of  
16 housing because of race, sex, sexual orientation, gender identity, age, marital  
17 status, religious creed, color, national origin, citizenship, disability, the  
18 presence of one or more minor children, income, or because of the receipt of  
19 public assistance, or because a person is a victim of abuse, sexual assault, or  
20 stalking, except as otherwise provided by law.

1 ~~(d) If required by federal law, the verification of immigration status shall~~  
2 not constitute a violation of subsection (a) of this section with respect to the  
3 sale and rental of dwellings.

4 \* \* \* LURB Appeals Study \* \* \*

5 Sec. 9. 2024 Acts and Resolves No. 181, Sec. 11a is amended to read:

6 Sec. 11a. ACT 250 APPEALS STUDY

7 (a) On or before ~~January 15, 2026~~ November 15, 2025, the Land Use  
8 Review Board shall issue a report evaluating whether to transfer appeals of  
9 permit decisions and jurisdictional opinions issued pursuant to 10 V.S.A.  
10 chapter 151 to the Land Use Review Board or whether they should remain at  
11 the Environmental Division of the Superior Court. The Board shall convene a  
12 stakeholder group that at a minimum shall be composed of a representative of  
13 environmental interests, attorneys that practice environmental and  
14 development law in Vermont, the Vermont League of Cities and Towns, the  
15 Vermont Association of Planning and Development Agencies, the Vermont  
16 Chamber of Commerce, the Land Access and Opportunity Board, the Office of  
17 Racial Equity, the Vermont Association of Realtors, a representative of non-  
18 profit housing development interests, a representative of for-profit housing  
19 development interests, a representative of commercial development interests,  
20 an engineer with experience in development, the Agency of Commerce and  
21 ~~Community Development, and the Agency of Natural Resources in preparing~~

1 ~~the report. The Board shall provide notice of the stakeholder meetings on its~~  
2 website and each meeting shall provide time for public comment.

3 (b) The report shall at minimum recommend:

4 (1) ~~whether~~ Whether to allow consolidation of appeals at the Board, or  
5 with the Environmental Division of the Superior Court, and how, including  
6 what resources the Board would need, if transferred to the Board, appeals of  
7 permit decisions issued under 24 V.S.A. chapter 117 and the Agency of  
8 Natural Resources can be consolidated with Act 250 appeals;

9 (2) ~~how~~ How to prioritize and expedite the adjudication of appeals  
10 related to housing projects, including the use of hearing officers to expedite  
11 appeals and the setting of timelines for processing of housing appeals;

12 (3) ~~procedural~~ Procedural rules to govern the Board's administration of  
13 Act 250 and the adjudication of appeals of Act 250 decisions. These rules  
14 shall include procedures to create a firewall and eliminate any potential for  
15 conflicts with the Board managing appeals and issuing permit decisions and  
16 jurisdictional opinions; ~~and~~.

17 (4) ~~other~~ Other actions the Board should take to promote the efficient  
18 and effective adjudication of appeals, including any procedural improvements  
19 ~~to the Act 250 permitting process and jurisdictional opinion appeals~~

1 ~~(c) The report shall be submitted to the Senate Committees on Economic~~  
2 Development, Housing and General Affairs and on Natural Resources and  
3 Energy and the House Committee on Environment and Energy.

4 \* \* \* Brownfields \* \* \*

5 Sec. 10. 10 V.S.A. § 6604c is amended to read:

6 § 6604c. MANAGEMENT OF DEVELOPMENT SOILS

7 (a) Management of development soils. Notwithstanding any other  
8 requirements of this chapter to the contrary, development soils may be  
9 managed at a location permitted pursuant to an insignificant waste event  
10 approval authorization issued pursuant to the Solid Waste Management Rules  
11 that contains, at a minimum, the following:

12 (1) the development soils are generated from a hazardous materials site  
13 managed pursuant to a corrective action plan or a soil management plan  
14 approved by the Secretary;

15 (2) the development soils have been tested for arsenic, lead, and  
16 polyaromatic hydrocarbons pursuant to a monitoring plan approved by the  
17 Secretary that ensures that the soils do not leach above groundwater  
18 enforcement standards;

19 (3) the location where the soils are managed is appropriate for the  
20 amount and type of material being managed;

21 ~~(4) the soils are capped in a manner approved by the Secretary;~~



1 ~~(5) any activity that may disturb the development soils at the permitted~~  
2 location shall be conducted pursuant to a soil management plan approved by  
3 the Secretary; and

4 (6) the permittee files a record notice of where the soils are managed in  
5 the land records.

6 \* \* \*

7 Sec. 11. REPORT ON THE STATUS OF MANAGEMENT OF  
8 DEVELOPMENT SOILS

9 (a) As part of the biennial report to the House Committee on Environment  
10 and the Senate Committee on Natural Resources and Energy under 10 V.S.A.  
11 § 6604(c), the Secretary of Natural Resources shall report on the status of the  
12 management of development soils in the State under 10 V.S.A. § 6604c. The  
13 report shall include:

14 (1) the number of insignificant waste event approval authorizations  
15 issued by the Secretary in the previous two years for the management of  
16 development soils;

17 (2) the number of certified categorical solid waste facilities operating in  
18 the State for the management of development soils;

19 (3) a summary of how the majority of development soils in the State are  
20 being managed;

1 ~~(4) an estimate of the cost to manage development soils, depending on~~  
2 management method; and

3 ~~(5) any additional information the Secretary determines relevant to the~~  
4 management of development soils in the State.

5 ~~(b) As used in this section, “development soil” has the same meaning as in~~  
6 10 V.S.A. § 6602(39).

7 Sec. 12. 10 V.S.A. § 6641 is amended to read:

8 § 6641. BROWNFIELD PROPERTY CLEANUP PROGRAM; CREATION;  
9 POWERS

10 (a) There is created the Brownfield Property Cleanup Program to enable  
11 certain interested parties to request the assistance of the Secretary to review  
12 and oversee work plans for investigating, abating, removing, remediating, and  
13 monitoring a property in exchange for protection from certain liabilities under  
14 section 6615 of this title. The Program shall be administered by the Secretary  
15 who shall:

16 \* \* \*

17 ~~(c) When conducting any review required by this subchapter, the Secretary~~  
18 shall prioritize the review of remediation at a site that contains housing.

19 Sec. 13. BROWNFIELDS PROCESS IMPROVEMENT; REPORT

20 On or before November 1, 2025, the Secretary of Natural Resources shall  
21 report to the House Committees on Environment and on General and Housing

1 ~~and the Senate Committees on Economic Development, Housing and General~~  
2 Affairs and on Natural Resources and Energy with proposals to make the  
3 Program established pursuant to 10 V.S.A. chapter 159, subchapter 3  
4 (brownfields reuse and liability limitation) substantially more efficient. At a  
5 minimum, the report shall include both of the following:

6 (1) A survey of stakeholders in the brownfields program to identify  
7 areas that present challenges to the redevelopment of contaminated properties,  
8 with a focus on redevelopment for housing. The Secretary shall provide  
9 recommendations to resolve these challenges.

10 (2) An analysis of strengths and weaknesses of implementing a licensed  
11 site professional program within the State. The Secretary shall make a  
12 recommendation on whether such a program should be implemented. If the  
13 Secretary recommends implementation, the report shall include any changes to  
14 statute or budget needed to implement this program.

15 Sec. 14. 2023 Acts and Resolves No. 78, Sec. B.1103, as amended by 2024  
16 Acts and Resolves No. 87, Sec. 43, is further amended to read:

17 Sec. B.1103 CLIMATE AND ENVIRONMENT – FISCAL YEAR 2024

18 ONE-TIME APPROPRIATIONS

19 \* \* \*

20 (h) In fiscal year 2024, the amount of \$2,500,000 General Fund is  
21 appropriated to the Department of Environmental Conservation Environmental

1 ~~Contingency Fund established pursuant to 10 V.S.A. § 1282 for the~~  
2 ~~Brownfields Reuse and Environmental Liability Limitation Act as codified in~~  
3 ~~10 V.S.A. chapter 159. Funds shall be used for the assessment ~~and cleanup,~~~~  
4 ~~planning, and cleanup of brownfields sites.~~

5 \* \* \*

6 ~~Sec. 15. BROWNFIELD FUNDING~~

7 ~~The sum of \$4,000,000.00 is appropriated from the General Fund to the~~  
8 ~~Brownfield Revitalization Fund established in 10 V.S.A. § 6654. The Agency~~  
9 ~~of Commerce and Community Development shall award the amount of~~  
10 ~~\$2,000,000.00 in fiscal year 2026 to regional planning commissions for the~~  
11 ~~purposes of brownfields assessment. In awarding funds under this section, the~~  
12 ~~Secretary of Commerce and Community Development, in consultation with~~  
13 ~~the Vermont Association of Planning and Development Agencies, shall select~~  
14 ~~one regional planning commission to administer these funds. To ensure~~  
15 ~~statewide availability, the selected regional planning commission shall~~  
16 ~~subgrant to regional planning commissions with brownfield programs, with~~  
17 ~~not more than 10 percent of the funds being used for administrative purposes.~~

18 *Sec. 15. [Deleted.]*

19 \* \* \* Tax Increment Financing \* \* \*

20 Sec. 16. 24 V.S.A. chapter 53, subchapter 7 is added to read:

21 ~~Subchapter 7. Community and Housing Infrastructure Program~~

1 § 1006. DEFINITIONS.

2 As used in this subchapter:

3 (1) "Affordable housing" means either of the following:

4 (A) Owner-occupied housing for which the total annual cost of  
5 ownership, including principal, interest, taxes, insurance, and condominium  
6 association fees, does not exceed 30 percent of the gross annual income of a  
7 household at 150 percent of the highest of the following:

8 (i) the county median income, as defined by the U.S. Department  
9 of Housing and Urban Development;

10 (ii) the standard metropolitan statistical area median income if the  
11 municipality is located in such an area, as defined by the U.S. Department of  
12 Housing and Urban Development; or

13 (iii) the statewide median income, as defined by the U.S.  
14 Department of Housing and Urban Development.

15 (B) Rental housing for which the total annual cost of renting,  
16 including rent, utilities, and condominium association fees, does not exceed 30  
17 percent of the gross annual income of a household at 150 percent of the  
18 highest of the following:

19 (i) the county median income, as defined by the U.S. Department  
20 of Housing and Urban Development;

(ii) the median family income, as defined by the U.S. Department of Housing and Urban Development; or

(iii) the statewide median income, as defined by the U.S. Department of Housing and Urban Development.

(21) “Brownfield” means a property on which the presence or potential presence of a hazardous material, pollutant, or contaminant complicates the expansion, development, redevelopment, or reuse of the property.

(32) “Committed” means pledged and appropriated for the purpose of the current and future payment of financing and related costs.

(43) “Developer” means the person undertaking to construct a housing development.

(54) “Financing” means debt, including principal, interest, and any fees or charges directly related to that debt, incurred by a sponsor, or other instruments or borrowing used by a sponsor, to pay for a housing infrastructure project and, in the case of a sponsor that is a municipality, authorized by the municipality pursuant to section 1910a of this subchapter.

(65) “Housing development” means the construction of one or more buildings that includes affordable housing.

1 ~~(76) "Housing development site" means the parcel or parcels~~  
2 encompassing a housing development as authorized by a municipality pursuant  
3 to section 1908 of this subchapter.

4 ~~(87) "Housing infrastructure agreement" means a legally binding~~  
5 agreement to finance and develop a housing infrastructure project and to  
6 construct a housing development among a municipality, a developer, and, if  
7 applicable, a third-party sponsor.

8 ~~(88) "Housing infrastructure project" means one or more improvements~~  
9 authorized by a municipality pursuant to section 1908 of this subchapter.

10 ~~(109) "Improvements" means:~~

11 (A) the installation or construction of infrastructure that will serve a  
12 public good and fulfill the purpose of housing infrastructure tax increment  
13 financing as stated in section 1907 of this subchapter, including utilities, digital  
14 infrastructure, transportation, public recreation, ~~commercial and industrial~~  
15 ~~facilities,~~ parking, public facilities and amenities, land and property acquisition  
16 and demolition, brownfield remediation, site preparation, and flood  
17 remediation and mitigation; and

18 (B) the funding of debt service interest payments for a period of up  
19 to four years, beginning on the date on which the debt is first incurred.

1 ~~(11/10) “Legislative body” means the mayor and elderboard, the city~~  
2 council, the selectboard, and the president and trustees of an incorporated  
3 village, as appropriate.

4 ~~(12/11)~~ “Municipality” means a city, town, or incorporated village.

5 ~~(13/12)~~ “Original taxable value” means the total valuation as determined  
6 in accordance with 32 V.S.A. chapter 129 of all taxable real property located  
7 within a housing development site as of its creation date, provided that no  
8 parcel within the housing development site shall be divided or bisected.

9 ~~(14/13)~~ “Related costs” means expenses incurred and paid by a  
10 municipality, exclusive of the actual cost of constructing and financing  
11 improvements, that are directly related to the creation and implementation of  
12 the municipality’s housing infrastructure project, including reimbursement of  
13 sums previously advanced by the municipality for those purposes. Related  
14 costs may include direct municipal expenses such as departmental or personnel  
15 costs related to creating or administering the housing infrastructure project to  
16 the extent they are paid from the tax increment realized from municipal and  
17 not education taxes and using only that portion of the municipal increment  
18 above the percentage required for serving debt as determined in accordance  
19 with subsection 1910c(c) of this subchapter.

20 ~~(15/14)~~ “Sponsor” means the person undertaking to finance a housing  
21 infrastructure project. Any of a municipality, a developer, or an independent



1 ~~agency that meets State lending standards may serve as a sponsor for a housing~~  
2 ~~infrastructure project.~~

3 ~~§ 1906. PURPOSE~~

4 ~~The purpose of housing infrastructure tax increment financing is to provide~~  
5 ~~revenues for improvements and related costs to stimulate housing development~~  
6 ~~in Vermont.~~

7 ~~§ 1907. PURPOSE~~

~~*The purpose of housing infrastructure tax increment financing is to provide*~~  
~~*revenues for improvements and related costs to encourage the development of*~~  
~~*primary residences for households of low or moderate income.*~~

8 ~~§ 1908. CREATION OF HOUSING INFRASTRUCTURE PROJECT AND~~

9 ~~HOUSING DEVELOPMENT SITE~~

10 ~~(a) The legislative body of a municipality may create within its jurisdiction~~  
11 ~~a housing infrastructure project, which shall consist of improvements that~~  
12 ~~stimulate the development of housing, and a housing development site, which~~  
13 ~~shall consist of the parcel or parcels on which a housing development is~~  
14 ~~installed or constructed and any immediately contiguous parcels.~~

15 ~~(b) To create a housing infrastructure project and housing development~~  
16 ~~site, a municipality, in coordination with stakeholders, shall:~~

17 ~~(1) develop a housing development plan, including:~~

18 ~~(A) a description of the proposed housing infrastructure project, the~~  
19 ~~proposed housing development, and the proposed housing development site;~~

20 ~~(B) identification of a sponsor;~~

1 ~~(C) a tax increment financing plan meeting the standards of~~  
2 ~~subsection 1910(f) of this subchapter;~~  
3 ~~(D) a pro forma projection of expected costs of the proposed housing~~  
4 ~~infrastructure project;~~  
5 ~~(E) a projection of the tax increment to be generated by the proposed~~  
6 ~~housing development; and~~  
7 ~~(F) a development schedule that includes a list, a cost estimate, and a~~  
8 ~~schedule for the proposed housing infrastructure project and the proposed~~  
9 ~~housing development;~~  
10 ~~(2) develop a plan describing the housing development site by its~~  
11 ~~boundaries and the properties therein, entitled "Proposed Housing~~  
12 ~~Development Site (municipal name), Vermont";~~  
13 ~~(3) hold one or more public hearings, after public notice, on the~~  
14 ~~proposed housing infrastructure project, including the plans developed~~  
15 ~~pursuant to this subsection; and~~  
16 ~~(4) adopt by act of the legislative body of the municipality the plan~~  
17 ~~developed under subdivision (2) of this subsection, which shall be recorded~~  
18 ~~with the municipal clerk and lister or assessor.~~  
19 ~~(c) The creation of a housing development site shall occur at 12:01 a.m. on~~  
20 ~~April 1 of the calendar year in which the Vermont Economic Progress Council~~

1 ~~improves the use of tax increment financing for the housing infrastructure~~  
2 project pursuant to section 1910 of this subchapter.

3 § 1909. HOUSING INFRASTRUCTURE AGREEMENT

4 (a) The housing infrastructure agreement for a housing infrastructure  
5 project shall:

6 (1) clearly identify the sponsor for the housing infrastructure project;

7 (2) clearly identify the developer and the housing development for the  
8 housing development site;

9 (3) obligate the tax increments retained pursuant to section 1910c of this  
10 subchapter for not more than the financing and related costs for the housing  
11 infrastructure project; and

12 (4) provide for performance assurances to reasonably secure the  
13 obligations of all parties under the housing infrastructure agreement.

14 (b) A municipality shall provide notice of the terms of the housing  
15 infrastructure agreement for the municipality's housing infrastructure project  
16 to the legal voters of the municipality and shall provide the same information  
17 ~~as set forth in subsection 1910a(c) of this subchapter.~~

~~1910. HOUSING INFRASTRUCTURE PROJECT APPLICATION,~~

VERMONT ECONOMIC PROGRESS COUNCIL

(a) Application. A municipality, upon approval of its legislative body, may apply to the Vermont Economic Progress Council to use tax increment financing for a housing infrastructure project.

~~(b) Review. The Vermont Economic Progress Council may approve only applications meeting the process requirements, the project criterion, and any of the location criteria of this section.~~

*(b) Review. The Vermont Economic Progress Council may approve only applications that:*

*(1) meet the process requirements, the project criterion, and any of the location criteria of this section; and*

*(2) are submitted on or before December 31, 2035.*

(c) Process requirements. The Vermont Economic Progress Council shall review a municipality's housing infrastructure project application to determine whether the municipality has:

(1) created a housing infrastructure project and housing development site pursuant to section 1908 of this subchapter;

(2) executed a housing infrastructure agreement for the housing infrastructure project adhering to the standards of section 1909 of this subchapter with a developer and, if the municipality is not financing the housing infrastructure project itself, a sponsor; and

1 ~~(2) approved or pledged to use incremental municipal tax revenues for~~  
2 the housing infrastructure project in the proportion provided for municipal tax  
3 revenues in section 1910c of this subchapter.

4 (d) Project criterion. The Vermont Economic Progress Council shall  
5 review a municipality's housing infrastructure project application to determine  
6 whether the projected housing development includes ~~affordable~~ housing.

7 (e) Location criteria. The Vermont Economic Progress Council shall  
8 review a municipality's housing infrastructure project application to determine  
9 whether the housing development site is located within one of the following  
10 areas:

11 (1) an area designated Tier 1A or Tier 1B pursuant to 10 V.S.A. chapter  
12 151 (State land use and development plans) or an area exempt from the  
13 provisions of that chapter pursuant to 10 V.S.A. § 6081(dd) (interim housing  
14 exemptions);

15 (2) an area designated Tier 2 pursuant to 10 V.S.A. chapter 151 (State  
16 land use and development plans) or an area in which the housing development  
17 site is compatible with regional and town land use plans as evidenced by a  
18 letter of support from the regional planning commission for the municipality;  
19 or

20 (3) an existing settlement or an area within one-half mile of an existing  
21 ~~settlement, as that term is defined in 10 V.S.A. § 6001(16).~~

1 ~~(f) Tax increment financing plan. The Vermont Economic Progress~~  
2 Council shall approve a municipality's tax increment financing plan prior to a  
3 sponsor's incurrence of debt for the housing infrastructure project, including,  
4 if the sponsor is a municipality, prior to a public vote to pledge the credit of  
5 the municipality under section 1910a of this subchapter. The tax increment  
6 financing plan shall include:

- 7 (1) a statement of costs and sources of revenue;  
8 (2) estimates of assessed values within the housing development site;  
9 (3) the portion of those assessed values to be applied to the housing  
10 infrastructure project;  
11 (4) the resulting tax increments in each year of the financial plan;  
12 (5) the amount of bonded indebtedness or other financing to be  
13 incurred;  
14 (6) other sources of financing and anticipated revenues; and  
15 (7) the duration of the financial plan.

16 § 1910a. INDEBTEDNESS

17 (a) A municipality approved for tax increment financing under section  
18 1910 of this subchapter may incur indebtedness against revenues of the  
19 housing development site at any time during a period of up to five years  
20 following the creation of the housing development site. The Vermont  
21 Economic Progress Council may extend this debt incursion period by up to

1 ~~three years. If no debt is incurred for the housing infrastructure project during~~  
2 the debt incursion period, whether by the municipality or sponsor, the housing  
3 development site shall terminate.

4 (b) Notwithstanding any provision of any municipal charter, each instance  
5 of borrowing by a municipality to finance or otherwise pay for a housing  
6 infrastructure project shall occur only after the legal voters of the municipality,  
7 by a majority vote of all voters present and voting on the question at a special  
8 or annual municipal meeting duly warned for the purpose, authorize the  
9 legislative body to pledge the credit of the municipality, borrow, or otherwise  
10 secure the debt for the specific purposes so warned.

11 (c) Any indebtedness incurred under this section may be retired over any  
12 period authorized by the legislative body of the municipality.

13 (d) The housing development site shall continue until the date and hour the  
14 indebtedness is retired or, if no debt is incurred, five years following the  
15 creation of the housing development site.

16 (e) A municipal legislative body shall provide information to the public  
17 prior to the public vote required under subsection (b) of this section. This  
18 information shall include the amount and types of debt and related costs to be  
19 incurred, including principal, interest, and fees; terms of the debt; the housing  
20 infrastructure project to be financed; the housing development projected to  
21 occur because of the housing infrastructure project; and notice to the voters

1 ~~that if the tax increment received by the municipality from any property tax~~  
2 source is insufficient to pay the principal and interest on the debt in any year,  
3 the municipality shall remain liable for the full payment of the principal and  
4 interest for the term of the indebtedness. If interfund loans within the  
5 municipality are used, the information must also include documentation of the  
6 terms and conditions of the loan.

7 (f) If interfund loans within the municipality are used as the method of  
8 financing, no interest shall be charged.

9 (g) The use of a bond anticipation note shall not be considered a first  
10 incurrence of debt pursuant to subsection (a) of this section.

11 § 1910b. ORIGINAL TAXABLE VALUE; TAX INCREMENT

12 (a) As of the date the housing development site is created, the lister or  
13 assessor for the municipality shall certify the original taxable value and shall  
14 certify to the legislative body in each year thereafter during the life of the  
15 housing development site the amount by which the total valuation as  
16 determined in accordance with 32 V.S.A. chapter 129 of all taxable real  
17 property within the housing development site has increased or decreased  
18 relative to the original taxable value.

19 (b) Annually throughout the life of the housing development site, the lister  
20 or assessor shall include not more than the original taxable value of the real  
21 ~~property in the assessed valuation upon which the treasurer computes the rates~~



1 ~~of all taxes levied by the municipality and every other taxing district in which~~  
2 the housing development site is situated, but the treasurer shall extend all rates  
3 so determined against the entire assessed valuation of real property for that  
4 year.

5 (c) Annually throughout the life of the housing development site, a  
6 municipality shall remit not less than the aggregate education property tax due  
7 on the original taxable value to the Education Fund.

8 (d) Annually throughout the life of the housing development site, the  
9 municipality shall hold apart, rather than remit to the taxing districts, that  
10 proportion of all taxes paid that year on the real property within the housing  
11 development site that the excess valuation bears to the total assessed valuation.  
12 The amount held apart each year is the "tax increment" for that year. The tax  
13 increment shall only be used for financing and related costs.

14 (e) Not more than the percentages established pursuant to section 1910c of  
15 this subchapter of the municipal and State education tax increments received  
16 with respect to the housing development site and committed for the payment  
17 for financing for improvements and related costs shall be segregated by the  
18 municipality in a special tax increment financing account and in its official  
19 books and records until all capital indebtedness incurred for the housing  
20 infrastructure project has been fully paid. The final payment shall be reported  
21 ~~to the treasurer, who shall thereafter include the entire assessed valuation of~~

1 ~~the housing development site in the assessed valuations upon which the~~  
2 municipal and other tax rates are computed and extended, and thereafter no  
3 taxes from the housing development site shall be deposited in the special tax  
4 increment financing account.

5 (f) Notwithstanding any charter provision or other provision, all property  
6 taxes assessed within a housing development site shall be subject to the  
7 provisions of this section. Special assessments levied under chapter 76A or 87  
8 of this title or under a municipal charter shall not be considered property taxes  
9 for the purpose of this section if the proceeds are used exclusively for  
10 operating expenses related to properties within the housing development site  
11 and not for improvements within the housing development site.

12 § 1910c. USE OF TAX INCREMENT; RETENTION PERIOD

13 (a) Uses of tax increments. A municipality may apply tax increments  
14 retained pursuant to this subchapter to debt incurred within the period  
15 permitted under section 1910a of this subchapter, to related costs, and to the  
16 direct payment of the cost of a housing infrastructure project. Any direct  
17 payment shall be subject to the same public vote provisions of section 1910a  
18 of this subchapter as apply to debt.

19 (b) Education property tax increment. Up to 80 percent of the education  
20 property tax increment may be retained for up to 20 years, beginning the first  
21 year in which debt is incurred for the housing infrastructure project. Upon

1 ~~incurring the first debt, a municipality shall notify the Department of Taxes~~  
2 ~~and the Vermont Economic Progress Council of the beginning of the retention~~  
3 ~~period of the education property tax increment.~~

4 ~~(c) Municipal property tax increment. Not less than 100 percent of the~~  
5 ~~municipal property tax increment may be retained, beginning the first year in~~  
6 ~~which debt is incurred for the housing infrastructure project.~~

7 ~~(d) Excess tax increment.~~

8 ~~(1) Of the municipal and education property tax increments received in~~  
9 ~~any tax year that exceed the amounts committed for the payment of the~~  
10 ~~financing and related costs for a housing infrastructure project, equal portions~~  
11 ~~of each increment may be retained for the following purposes:~~

12 ~~(A) to prepay principal and interest on the financing;~~

13 ~~(B) to place in a special tax increment financing account required~~  
14 ~~pursuant to subsection 1910b(e) of this subchapter and use for future financing~~  
15 ~~payments; or~~

16 ~~(C) to use for defeasance of the financing.~~

17 ~~(2) Any remaining portion of the excess education property tax~~  
18 ~~increment shall be distributed to the Education Fund. Any remaining portion~~  
19 ~~of the excess municipal property tax increment shall be distributed to the city,~~  
20 ~~town, or village budget in the proportion that each budget bears to the~~

1 ~~combined total of the budgets unless otherwise negotiated by the city, town, or~~  
2 ~~village.~~

3 § 1910d INFORMATION REPORTING

4 (a) A municipality with an active housing infrastructure project shall:

5 (1) develop a system, segregated for the housing infrastructure project,  
6 to identify, collect, and maintain all data and information necessary to fulfill  
7 the reporting requirements of this section;

8 (2) provide timely notification to the Department of Taxes and the  
9 Vermont Economic Progress Council of any housing infrastructure project  
10 debt, public vote, or vote by the municipal legislative body immediately  
11 following the debt incurrence or public vote on a form prescribed by the  
12 Council, including copies of public notices, agendas, minutes, vote tally, and a  
13 copy of the information provided to the public pursuant to subsection 1910a(e)  
14 of this subchapter; and

15 (3) annually on or before February 15, submit on a form prescribed by  
16 the Vermont Economic Progress Council an annual report to the Council and  
17 the Department of Taxes, including the information required by subdivision (2)  
18 of this subsection if not previously submitted, the information required for  
19 annual audit under section 1910e of this subchapter, and any information  
20 required by the Council or the Department of Taxes for the report required  
21 pursuant to subsection (b) of this section.

1 ~~(b) Annually on or before April 1, the Vermont Economic Progress~~  
2 ~~Council and the Department of Taxes shall submit a report to the Senate~~  
3 ~~Committees on Economic Development, Housing and General Affairs and on~~  
4 ~~Finance and the House Committees on Commerce and Economic Development~~  
5 ~~and on Ways and Means on housing infrastructure projects approved pursuant~~  
6 ~~to this subchapter, including for each of the following:~~

- 7 ~~(1) the date of approval;~~  
8 ~~(2) a description of the housing infrastructure project;~~  
9 ~~(3) the original taxable value of the housing development site;~~  
10 ~~(4) the scope and value of projected and actual improvements and~~  
11 ~~developments in the housing development site, including the number of~~  
12 ~~housing units created;~~  
~~(5) the number and types of housing units for which a permit is being~~  
~~pursued under 10 V.S.A. chapter 151 (State land use and development plans)~~  
~~and, for each applicable housing development, the current stage of the~~  
~~permitting process;~~

- 13 ~~(56) projected and actual incremental revenue amounts;~~  
14 ~~(67) the allocation of incremental revenue; and~~  
15 ~~(78) projected and actual financing.~~

~~(c) On or before January 15, 2035, the Vermont Economic Progress~~  
~~Council shall submit a report to the Senate Committees on Economic~~  
~~Development, Housing and General Affairs and on Finance and the House~~  
~~Committees on Commerce and Economic Development and on Ways and~~  
~~Means evaluating the success of the Community and Housing Infrastructure~~  
~~Program in achieving its purpose, as stated in section 1907 of this chapter,~~  
~~including by identifying the amount and kinds of housing produced through the~~  
~~Program and by determining whether housing development pursued through~~  
~~the Program meets the project criterion and location criteria of section 1910 of~~  
~~this chapter.~~

1 § 1910e. AUDITING

2 Annually on or before April 1 until the year following the end of the period  
3 for retention of education property tax increment, a municipality with a  
4 housing infrastructure project approved under this subchapter shall ensure that  
5 the special tax increment financing account required by section 1910b of this  
6 subchapter is subject to the annual audit prescribed in section 1681 or 1690 of  
7 this title and submit a copy to the Vermont Economic Progress Council. If an  
8 account is subject only to the audit under section 1681 of this title, the Council  
9 shall ensure a process is in place to subject the account to an independent  
10 audit. Procedures for the audit must include verification of the original taxable  
11 value and annual and total municipal and education property tax increments  
12 generated, expenditures for financing and related costs, and current balance.

13 § 1910f. GUIDANCE

14 (a) The Secretary of Commerce and Community Development, after  
15 reasonable notice to a municipality and an opportunity for a hearing, may issue  
16 decisions to a municipality on questions and inquiries concerning the  
17 administration of housing infrastructure projects, statutes, rules,  
18 noncompliance with this subchapter, and any instances of noncompliance  
19 identified in audit reports conducted pursuant to section 1910e of this  
20 subchapter.

1 ~~(b) The Vermont Economic Progress Council shall prepare~~  
2 recommendations for the Secretary of Commerce and Community  
3 Development prior to any decision issued pursuant to subsection (a) of this  
4 section. The Council may prepare recommendations in consultation with the  
5 Commissioner of Taxes, the Attorney General, and the State Treasurer. In  
6 preparing recommendations, the Council shall provide a municipality with a  
7 reasonable opportunity to submit written information in support of its position.

8 (c) The Secretary of Commerce and Community Development shall review  
9 the recommendations of the Council and issue a final written decision on each  
10 matter within 60 days following receipt of the recommendations. The  
11 Secretary may permit an appeal to be taken by any party to a Superior Court  
12 for determination of questions of law in the same manner as the Supreme  
13 Court may by rule provide for appeals before final judgment from a Superior  
14 Court before issuing a final decision.

15 (d) The Vermont Economic Progress Council may adopt rules that are  
16 reasonably necessary to implement this subchapter.

17 Sec. 17. 32 V.S.A. § 3325 is amended to read:

18 § 3325. VERMONT ECONOMIC PROGRESS COUNCIL

19 (a) Creation. The Vermont Economic Progress Council is created to  
20 exercise the authority and perform the duties assigned to it, including its

21 ~~authority and duties relating to:~~

1 ~~(1) the Vermont Employment Growth Incentive Program pursuant to~~  
2 ~~subchapter 2 of this chapter; and~~  
3 ~~(2) tax increment financing districts pursuant to 24 V.S.A. chapter 53,~~  
4 ~~subchapter 5 and section 5404a of this title; and~~  
5 ~~(3) housing infrastructure tax increment financing pursuant to 24 V.S.A.~~  
6 ~~chapter 53, subchapter 7.~~

7 \* \* \*

8 (g) Decisions not subject to review. A decision of the Council to approve  
9 or deny an application under subchapter 2 of this chapter, ~~or to approve or~~  
10 ~~deny a tax increment financing district pursuant to 24 V.S.A. chapter 53,~~  
11 ~~subchapter 5 and section 5404a of this title, or to approve or deny a housing~~  
12 ~~infrastructure project pursuant to 24 V.S.A. chapter 53, subchapter 7 is an~~  
13 ~~administrative decision that is not subject to the contested case hearing~~  
14 ~~requirements under 3 V.S.A. chapter 25 and is not subject to judicial review.~~

*\* \* \* Smoke and Carbon Monoxide Alarms \* \* \**

*Sec. 17a. 9 V.S.A. chapter 77 is amended to read:*

*CHAPTER 77. SMOKE ~~DETECTORS~~ ALARMS AND CARBON MONOXIDE*  
*DETECTORS ALARMS*

*§ 2881. DEFINITIONS*

*As used in this chapter:*

*\* \* \**

*(2) “Smoke ~~detector~~ alarm” means a device that detects visible or*  
*invisible particles of combustion and sounds a warning alarm, is operated*  
*from a power supply within the unit or wired to it from an outside source, and*



~~is approved or listed for the purpose by Underwriters Laboratory or by another nationally recognized independent testing laboratory.~~

~~(3) "Carbon monoxide ~~detector~~ alarm" means a device with an assembly that incorporates a sensor control component and an alarm notification that detects elevations in carbon monoxide levels and sounds a warning alarm, is operated from a power supply within the unit or wired to it from an outside source, and is approved or listed for the purpose by Underwriters Laboratory or by another nationally recognized independent testing laboratory.~~

#### ~~§ 2882. INSTALLATION~~

~~(a) A person who constructs a single-family dwelling shall install photoelectric-only-type photoelectric-type or UL 217 compliant smoke detectors alarms in the vicinity of any bedrooms and on each level of the dwelling, and one or more carbon monoxide ~~detectors~~ alarms in the vicinity of any bedrooms in the dwelling in accordance with the manufacturer's instructions. In a dwelling provided with electrical power, ~~detectors~~ alarms shall be powered by the electrical service in the building and by battery.~~

~~(b) Any single-family dwelling when transferred by sale or exchange shall contain photoelectric-only-type photoelectric-type or UL 217 compliant smoke detectors alarms in the vicinity of any bedrooms and on each level of the dwelling installed in accordance with the manufacturer's instructions and one or more carbon monoxide ~~detectors~~ alarms installed in accordance with the manufacturer's instructions. A single-family dwelling constructed before January 1, 1994 may contain smoke ~~detectors~~ alarms powered by the electrical service in the building or by battery, or by a combination of both. In a single-family dwelling newly constructed after January 1, 1994 that is provided with electrical power, smoke ~~detectors~~ alarms shall be powered by the electrical service in the building and by battery. In a single family dwelling newly constructed after July 1, 2005 that is provided with electrical power, carbon monoxide ~~detectors~~ alarms shall be powered by the electrical service in the building and by battery.~~

~~(c) Nothing in this section shall require an owner or occupant of a single-family dwelling to maintain or use a smoke ~~detector~~ alarm or a carbon monoxide ~~detector~~ alarm after installation.~~

#### ~~§ 2883. REQUIREMENTS FOR TRANSFER OF DWELLING~~

~~(a) The seller of a single-family dwelling, including one constructed for first occupancy, whether the transfer is by sale or exchange, shall certify to the buyer at the closing of the transaction that the dwelling is provided with photoelectric-only-type photoelectric-type or UL 217 compliant smoke~~

~~detectors alarms and carbon monoxide detectors alarms in accordance with this chapter. This certification shall be signed and dated by the seller.~~

~~(b) If the buyer notifies the seller within 10 days by certified mail from the date of conveyance of the dwelling that the dwelling lacks any photoelectric-only-type photoelectric-type or UL 217 compliant smoke detectors alarms, or any carbon monoxide detectors alarms, or that any detector alarm is not operable, the seller shall comply with this chapter within 10 days after notification.~~

~~\* \* \*~~

~~Sec. 17b. 20 V.S.A. § 2731 is amended to read:~~

~~§ 2731. RULES; INSPECTIONS; VARIANCES~~

~~\* \* \*~~

~~(j) Detectors Alarms. Rules adopted under this section shall require that information written, approved, and distributed by the Commissioner on the type, placement, and installation of photoelectric photoelectric-type or UL 217 compliant smoke detectors alarms and carbon monoxide detectors alarms be conspicuously posted in the retail sales area where the detectors alarms are sold.~~

~~\* \* \*~~

~~\* \* \* Taxes \* \* \*~~

Sec. 18. 32 V.S.A. § 5811(21)(C) is amended to read:

(C) decreased by the following exemptions and deductions:

\* \* \*

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

(H) minus the amount of the Vermont standard deduction and Vermont personal exemptions taken by the taxpayer under this subdivision (C);  
and

(II) minus any amount deducted at the federal level that is attributable to the payment of an entrance fee or recurring monthly payment made to a continuing care retirement community regulated under 8 V.S.A. chapter 151, which exceeds the deductibility limits for premiums paid during the taxable year of qualified long-term care insurance contracts under 26 U.S.C. 213(d)(10)(A).

Sec. 19. 32 V.S.A. § 3800 is amended to read:

§ 3800. STATUTORY PURPOSES

\* \* \*

(r) The statutory purpose of the exemption under section 3851 of this title for certain new construction and improvements is to incentivize those activities.

Sec. 20. 32 V.S.A. § 3851 is added to read:

§ 3851. NEW ACCESSORY DWELLING UNITS AND CERTAIN  
PROPERTY IMPROVEMENTS

(a) An increase in the appraisal value of a property shall be exempted from property taxation by fixing and maintaining the taxable value at the property's grand list value in the year immediately preceding improvements in the following cases:

1 ~~(1) the property has been rehabilitated or improved using a grant or loan~~  
2 from the Vermont Housing Improvement Program and construction has been  
3 fully completed in the previous 12 months; or

4 (2) the property has been improved through the construction of a new  
5 accessory dwelling unit, as defined by 24 V.S.A. § 4303(38), and construction  
6 has been fully completed in the previous 12 months.

7 (b) A decrease in appraisal value of a property subject to this exemption  
8 due to damage or destruction from fire or act of nature may reduce the  
9 property's taxable value below the fixed value under subsection (a) of this  
10 section.

11 (c) The exemption under this section shall apply to the State education  
12 property tax imposed under chapter 135 of this title and to municipal property  
13 tax.

14 (d) An exemption under this section shall remain in effect for three years.  
15 When the exemption period ends, the property shall be taxed at its most  
16 recently appraised grand list value.

17 \* \* \* Appropriations \* \* \*

18 Sec. 21. APPROPRIATIONS

19 The following shall be appropriated from the General Fund in fiscal year  
20 2026.

~~(1) The sum of \$45,000,000.00 to the Department of Housing and Community Development for the following purposes:~~

~~(A) \$15,000,000.00 granted to the Vermont Housing Finance Agency to continue implementation of the Middle-Income Homeownership Development Program;~~

~~(B) \$15,000,000.00 granted to the Vermont Housing Finance Agency to continue implementation of the Rental Housing Revolving Loan Fund;~~

~~(C) \$9,100,000.00 granted to the Vermont Bond Bank to implement the Vermont Infrastructure Sustainability Fund;~~

~~(D) \$4,000,000.00 for the rehabilitation of eligible rental housing units under the Rental Housing Improvement Program established in 10 V.S.A. § 699;~~

~~(E) \$2,000,000.00 to improve mobile home park infrastructure under the Manufactured Home Improvement and Repair Program established in 10 V.S.A. § 700; and~~

~~(F) \$500,000.00 for grants to be made for the purpose of providing homebuyer education, financial literacy counseling, and foreclosure prevention programs operated by the five NeighborWorks America affiliated HomeOwnership Centers.~~

~~(2) The sum of \$100,000.00 to the State Treasurer to implement the Positive Rental Payment Pilot Program.~~

1  
2 Sec. ~~22~~18. EFFECTIVE DATE

3 ~~This act shall take effect on July 1, 2025.~~

*\* \* \* Effective Dates \* \* \**

*Sec. 18. EFFECTIVE DATES*

*~~This act shall take effect on July 1, 2025, except that Sec. 4 and this section shall take effect on passage.~~*

*\* \* \* Vermont Rental Housing Improvement Program \* \* \**

*Sec. 1. 10 V.S.A. § 699 is amended to read:*

*§ 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM*

*(a) Creation of Program.*

*\* \* \**

*(5)(A) The Department may cooperate with and subgrant funds to State agencies and governmental subdivisions and public and private organizations in order to carry out the purposes of this ~~subsection~~ section.*

*(B) Solely with regards to actions undertaken pursuant to this subdivision (5), entities carrying out the provisions of this section, including grantees, subgrantees, and contractors of the State, shall be exempt from the provisions of 8 V.S.A. chapter 73 (licensed lenders, mortgage brokers, mortgage loan originators, sales finance companies, and loan solicitation companies).*

*\* \* \**

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

*(1)(A) A grant or loan shall not exceed:*

*(i) ~~\$70,000.00 per unit, for rehabilitation or creation of an eligible rental housing unit meeting the applicable building accessibility requirements under the Vermont Access Rules; or~~*

*(ii) ~~\$50,000.00 per unit, for rehabilitation or creation of any other eligible rental housing unit. Up to an additional \$20,000.00 per unit may be made available for specific elements that collectively bring the unit to the visitable standard outlined in the rules adopted by the Vermont Access Board.~~*

*\* \* \**

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

(1) A landlord shall coordinate with nonprofit housing partners and local ~~coordinated entry~~ homelessness service organizations approved by the Department to identify potential tenants.

(2)(A) Except as provided in subdivision (2)(B) of this ~~subsection~~ subdivision (e)(2), a landlord shall lease the unit to a household that is:

(i) exiting homelessness, including any individual under 25 years of age who secures housing through a master lease held by a youth service provider on behalf of individuals under 25 years of age;

(ii) actively working with an immigrant or refugee resettlement program; ~~or~~

(iii) composed of at least one individual with a disability who receives or is eligible approved to receive Medicaid-funded home- and community-based home- and community-based services or Social Security Disability Insurance;

(iv) displaced due to a natural disaster; or

(v) with approval from the Department in writing, an organization that will hold a master lease that explicitly states the unit will be used in service of the populations described in this subsection (e).

\* \* \*

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

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

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

(1) ~~A landlord shall coordinate with nonprofit housing partners and local coordinated entry organizations to identify potential tenants~~ The total cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development, except that a landlord may accept a housing voucher that exceeds fair market rent, if available.

~~(2)(A) Except as provided in subdivision (2)(B) of this subsection (f), a landlord shall lease the unit to a household that is:~~

~~(i) exiting homelessness, including any individual under 25 years of age who secures housing through a master lease held by a youth service provider on behalf of individuals under 25 years of age;~~

~~(ii) actively working with an immigrant or refugee resettlement program; or~~

~~(iii) composed of at least one individual with a disability who is eligible to receive Medicaid-funded home and community based services.~~

~~(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household under subdivision (2)(A) of this subsection (f) is not available to lease the unit, then the landlord shall lease the unit:~~

~~(i) to a household with an income equal to or less than 80 percent of area median income; or~~

~~(ii) if such a household is unavailable, to another household with the approval of the Department or housing organization.~~

~~(3)(A) A landlord shall accept any housing vouchers that are available to pay all, or a portion of, the tenant's rent and utilities.~~

~~(B) If no housing voucher or federal or State subsidy is available, the cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development.~~

~~(4)(3) The Department shall forgive 10 percent of the a prorated amount of a forgivable loan for each year a landlord participates in the loan program.~~

~~(g) Minimum funding for grants and five-year forgivable loans.~~

~~(1) Annually, the Department shall establish a minimum allocation of funding set aside to be used for five-year grants or forgivable loans to serve eligible households pursuant to subsection (e) of this section. Remaining funds may be used for either five-year grants or forgivable loans or 10-year forgivable loans pursuant to subsection (f) of this section. The set aside shall be a minimum of 30 percent of funds disbursed annually.~~

~~(2) The Department shall consult with the Agency of Human Services to evaluate factors in establishing the amount of the set aside, including:~~

~~(A) the availability of housing vouchers;~~

~~(B) the current need for housing for eligible households;~~



(C) the ability and desire of landlords to house eligible households;

(D) the support services available for landlords; and

(E) the prior uptake and success rates for participating landlords.

(3) The Department shall coordinate with the local Coordinated Entry Lead Agencies and Homeownership Centers to direct referrals for those individuals or families prioritized to be housed pursuant to the five-year grants or forgivable loans.

(4) Funds from the set aside not utilized after nine months shall become available for 10-year forgivable loans.

(5) The Department shall annually publish the amount of the set aside on its website.

\* \* \*

(i) Creation of the Vermont Rental Housing Improvement Program Fund. Funds repaid or returned to the Department from forgivable loans or grants funded by the Program shall return to the Vermont Rental Housing Improvement Fund to be used for Program expenditures and administrative costs at the discretion of the Department.

(j) Annual report. Annually, the Department shall submit a report to the House Committees on Human Services and on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs regarding the following:

(1) separately, the number of units funded and the number of units rehabilitated through grants, through a five-year forgivable loan, and through a 10-year forgivable loan;

(2) for grants and five-year forgivable loans, for the first year after the expiration of the lease requirements outlined in subdivision (e)(2)(A) of this section, whether the unit is still occupied by a tenant who meets the qualifications of that subdivision;

(3) for each program, for the first year after the expiration of the applicable lease requirements outlined in this section, the amount of rent charged by the landlord and how that rent compares to fair market rent established by the Department of Housing and Urban Development; and

(4) the rate of turnover for tenants housed utilizing grants or five-year forgivable loans and 10-year forgivable loans separately.

\* \* \* MHIR \* \* \*

Sec. 2. 10 V.S.A. § 700 is added to read:

§ 700. VERMONT MANUFACTURED HOME IMPROVEMENT AND  
REPAIR PROGRAM

(a) There is created within the Department of Housing and Community Development the Manufactured Home Improvement and Repair Program. The Department shall design and implement the Program to award funding to statewide or regional nonprofit housing organizations, or both, to provide financial assistance or awards to manufactured homeowners and manufactured home park owners to improve existing homes, incentivize new slab placement for prospective homeowners, and incentivize park improvements for infill of more homes.

(b) The following projects are eligible for funding through the Program:

(1) The Department may award up to \$20,000.00 to owners of manufactured housing communities to complete small-scale capital needs to help infill vacant lots with homes, including disposal of abandoned homes, lot grading and preparation, the siting and upgrading of electrical boxes, enhancing E-911 safety issues, transporting homes out of flood zones, and improving individual septic systems. Costs awarded under this subdivision may also cover legal fees and marketing to help make it easier for home-seekers to find vacant lots around the State.

(2) The Department may award funding to manufactured homeowners for which the home is their primary residence to address habitability and accessibility issues to bring the home into compliance with safe living conditions.

(3) The Department may award up to \$15,000.00 per grant to a homeowner to pay for a foundation or federal Department of Housing and Urban Development-approved slab, site preparation, skirting, tie-downs, and utility connections on vacant lots within a manufactured home community.

(c) The Department may adopt rules, policies, and guidelines to aid in enacting the Program.

\* \* \* Vermont Infrastructure Sustainability Fund \* \* \*

Sec. 3. 24 V.S.A. chapter 119, subchapter 6 is amended to read:

*Subchapter 6. Special Funds*

\* \* \*

§ 4686. VERMONT INFRASTRUCTURE SUSTAINABILITY FUND

(a) Creation. There is created the Vermont Infrastructure Sustainability Fund within the Vermont Bond Bank.

(b) Purpose. The purpose of the Fund is to provide capital to extend and increase capacity of water and sewer service and other public infrastructure in municipalities where lack of extension or capacity is a barrier to housing development.

(c) Administration. The Vermont Bond Bank may administer the Fund in coordination with and support from other State agencies, government component parts, and quasi-governmental agencies.

(d) Program parameters.

(1) The Vermont Bond Bank, in consultation with the Department of Housing and Community Development, shall develop program guidelines to effectively implement the Fund.

(2) The program shall provide low-interest loans or purchase bonds from municipalities to expand infrastructure capacity. Eligible activities include:

(A) preliminary engineering and planning;

(B) engineering design and bid specifications;

(C) construction for municipal water and wastewater systems;

(D) transportation investments, including those required by municipal regulation, the municipality's official map, designation requirements, or other planning or engineering identifying complete streets and transportation and transit related improvements, including improvements to existing streets; and

(E) other eligible activities as determined by the guidelines produced by the Vermont Bond Bank in consultation with the Department of Housing and Community Development.

(e) Application requirements. Eligible project applications shall demonstrate:

(1) the project will create reserve capacity necessary for new housing unit development;

(2) the project has a direct link to housing unit production; and

(3) the municipality has a commitment to own and operate the project throughout its useful life.

(f) Application criteria. In addition to any criteria developed in the program guidelines, project applications shall be evaluated using the following criteria:

(1) whether there is a direct connection to proposed or in-progress housing development with demonstrable progress toward regional housing targets;

(2) whether the project is an expansion of an existing system;

(3) the proximity to a designated area;

(4) the project readiness and estimated time until the need for financing;

(5) the demonstration of financing for project completion or completion of a project component; and

(6) the relative need of the community per the housing targets established by the Department of Housing and Community Development.

(g) Award terms. The Vermont Bond Bank, in consultation with the Department of Housing and Community Development, shall establish award terms that may include:

(1) the maximum loan or bond amount;

(2) the maximum term of the loan or bond amount;

(3) the time by which amortization shall commence;

(4) the maximum interest rate;

(5) whether the loan is eligible for forgiveness and to what percentage or amount;

(6) the necessary security for the loan or bond; and

(7) any additional covenants required to further secure the loan or bond.

(h) Revolving fund.

(1) Any funds repaid or returned from the Infrastructure Sustainability Fund shall be deposited into the Fund and used to continue the program established in this section.

(2) The Bank may use the funds in conjunction with other Bank programs to accomplish the policy objectives outlined in this section.

*\* \* \* VHFA Rental Housing Revolving Loan Program \* \* \**

*Sec. 4. 2023 Acts and Resolves No. 47, Sec. 38 is amended to read:*

*Sec. 38. RENTAL HOUSING REVOLVING LOAN PROGRAM*

*(a) Creation; administration. The Vermont Housing Finance Agency shall design and implement a Rental Housing Revolving Loan Program and shall create and administer a revolving loan fund to provide subsidized loans for rental housing developments that serve middle-income households.*

*(b) Loans; eligibility; criteria.*

\* \* \*

*(7) The Agency shall use one or more legal mechanisms to ensure that:*

*(A) a subsidized unit remains affordable to a household earning the applicable percent of area median income for the longer of:*

*(i) seven years; or*

*(ii) full repayment of the loan plus three years; and*

*(B) during the affordability period determined pursuant to subdivision (A) of this subdivision (7), the annual increase in rent for a subsidized unit does not exceed three percent or an amount otherwise authorized by the Agency.*

\* \* \*

*\* \* \* Housing and Residential Services Planning Committee \* \* \**

*Sec. 5. STATE HOUSING AND RESIDENTIAL SERVICES PLANNING  
COMMITTEE; REPORT*

*(a) Creation. There is created the State Housing and Residential Services Planning Committee to generate a State plan to develop housing for individuals with developmental disabilities.*

*(b) Membership. The Committee shall be composed of the following members:*

*(1) one current member of the House of Representatives, who shall be appointed by the Speaker of the House;*

*(2) one current member of the Senate, who shall be appointed by the Committee on Committees;*

*(3) the Secretary of Human Services or designee;*

*(4) the Commissioner of Disabilities, Aging, and Independent Living or designee;*

*(5) the Commissioner of Housing and Community Development or designee;*

*(6) the State Treasurer or designee;*

(7) one member, appointed by the Developmental Disabilities Housing Initiative;

(8) the Executive Director of the Vermont Developmental Disabilities Council;

(9) one member, appointed by Green Mountain Self-Advocates;

(10) one member, appointed by Vermont Care Partners;

(11) one member, appointed by the Vermont Housing and Conservation Board; and

(12) one member, appointed by the Associated General Contractors of Vermont.

(c) Powers and duties. The Committee shall create an actionable plan to develop housing for individuals with developmental disabilities that reflects the diversity of needs expressed by those individuals and their families, including individuals with high-support needs who require 24-hour care and those with specific communication needs. The plan shall include:

(1) a schedule for the creation of at least 600 additional units of service-supported housing;

(2) the number and description of the support needs of individuals with developmental disabilities anticipated to be served annually;

(3) anticipated funding needs; and

(4) recommendations for changes in State laws or policies that are obstacles to the development of housing needed by individuals with Medicaid-funded home- and community-based services.

(d) Assistance.

(1) The Committee shall have the administrative, technical, and legal assistance of the Department of Housing and Community Development.

(2) Upon request of the Committee, the Department of Disabilities, Aging, and Independent Living shall provide an analysis of the current state of housing in Vermont for individuals with development disabilities and, to the extent available, an analysis of the level of community support needed for these individuals.

(e) Report. On or before November 15, 2025, the Committee shall submit a written report to the House Committees on General and Housing and on Human Services and the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Secretary of Human Services shall call the first meeting of the Committee to occur on or before July 15, 2025.

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

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

(4) The Committee shall cease to exist on November 30, 2025.

(g)(1) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee serving in the member's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Members of the Committee who are not otherwise compensated for their time shall be entitled to per diem compensation as permitted under 32 V.S.A. § 1010 for not more than six meetings. These payments shall be made from monies appropriated to the Department of Housing and Community Development for that purpose.

(h) Intent to appropriate. Notwithstanding subdivision (g)(2) of this section, per diems for the cost of attending meetings shall only be available in the event an appropriation is made in fiscal year 2026 from the General Fund to the Department of Housing and Community Development for that purpose.

\* \* \* Tax Department Housing Data Access \* \* \*

Sec. 6. 32 V.S.A. § 5404 is amended to read:

§ 5404. DETERMINATION OF EDUCATION PROPERTY TAX GRAND  
LIST

\* \* \*

(b) Annually, on or before August 15, the clerk of a municipality, or the supervisor of an unorganized town or gore, shall transmit to the Director in an electronic or other format as prescribed by the Director: education and municipal grand list data, including exemption information and grand list abstracts; tax rates; an extract of the assessor database also referred to as a Computer Assisted Mass Appraisal (CAMA) system or Computer Assisted Mass Appraisal database; and the total amount of taxes assessed in the town or unorganized town or gore. The data transmitted shall identify each parcel by a parcel identification number assigned under a numbering system prescribed by the Director. Municipalities may continue to use existing

*numbering systems in addition to, but not in substitution for, the parcel identification system prescribed by the Director. If changes or additions to the grand list are made by the listers or other officials authorized to do so after such abstract has been so transmitted, such clerks shall forthwith certify the same to the Director.*

*\* \* \**

*\* \* \* Landlord Certificate \* \* \**

*Sec. 7. REPEAL; ACT 181 PROSPECTIVE LANDLORD CERTIFICATE CHANGES*

*2024 Acts and Resolves No. 181, Secs. 98 (landlord certificate amendments) and 114(5) (effective date of landlord certificate amendments) are repealed.*

*Sec. 8. 32 V.S.A. § 6069 is amended to read:*

*§ 6069. LANDLORD CERTIFICATE*

*\* \* \**

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

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

*(1) the name of the ~~each~~ renter;*

*(2) the address and ~~any property tax parcel identification number of the homestead, the information required under subsection (f) of this section, the School Property Account Number of the rental property;~~*

*(3) the name of the owner or landlord of the rental property;*

*(4) the phone number, email address, and mailing address of the owner or landlord of the rental property, as available;*

*(5) the type or types of rental units on the rental property;*

*(6) the number of rental units on the rental property;*

*(7) the number of ADA-accessible units on the rental property; and*

*(8) any additional information that the Commissioner determines is appropriate.*

*\* \* \**

*~~(f) Annually on or before October 31, the Department shall prepare and make available to a member of the public upon request a database in the form~~*



~~of a sortable spreadsheet that contains the following information for each rental unit for which the Department received a certificate pursuant to this section:~~

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

~~(6) School Property Account Number. Annually on or before December 15, the Department shall submit a report on the aggregated data collected under this section to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs.~~

~~\*\*\* Land Bank Report \*\*\*~~

#### ~~Sec. 9. DHCD LAND BANK REPORT~~

~~(a) On or before November 1, 2026, the Department of Housing and Community Development shall issue a report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs outlining a legal framework for implementation of a State land bank. The report shall include proposed legislative language specific to:~~

- ~~(1) the creation and ongoing administration of a statewide land bank;~~
- ~~(2) the authorization of regional or municipal land banks; and~~
- ~~(3) the identification of funding proposals to support the establishment and sustainability of each separate model.~~

~~(b) The report shall include an analysis on which option, the creation of a statewide land bank or the authorization of regional or municipal land banks, best serves the interest of Vermont communities, including rural communities.~~

~~(c) On or before January 15, 2026, the Department of Housing and Community Development shall provide a written update to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs on progress made, including a preliminary assessment of the information required in the final report.~~

~~\*\*\* Housing and Public Accommodations Protections \*\*\*~~

~~Sec. 10. 9 V.S.A. § 4456a is amended to read:~~

~~§ 4456a. RESIDENTIAL RENTAL APPLICATION FEES; PROHIBITED~~

*(a) A landlord or a landlord's agent shall not charge an application fee to any individual in order to apply to enter into a rental agreement for a residential dwelling unit. This ~~section~~ subsection shall not be construed to prohibit a person from charging a fee to a person in order to apply to rent commercial or nonresidential property.*

*(b)(1) In order to conduct a background or credit check, a landlord shall accept any of the following:*

*(A) an original or a copy of any unexpired form of government-issued identification;*

*(B) an Individual Taxpayer Identification Number; or*

*(C) a Social Security number.*

*(2) A landlord or a landlord's agent shall not require a Social Security number for the completion of a residential rental application or refuse to accept an application due to the lack of a Social Security number.*

*Sec. 11. 9 V.S.A. § 4501 is amended to read:*

*§ 4501. DEFINITIONS*

*As used in this chapter:*

*\* \* \**

*(12)(A) "Harass" means to engage in unwelcome conduct that detracts from, undermines, or interferes with a person's:*

*(i) use of a place of public accommodation or any of the accommodations, advantages, facilities, or privileges of a place of public accommodation because of the person's race, creed, color, national origin, citizenship, immigration status, marital status, sex, sexual orientation, gender identity, or disability; or*

*(ii) terms, conditions, privileges, or protections in the sale or rental of a dwelling or other real estate, or in the provision of services or facilities in connection with a dwelling or other real estate, because of the person's race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, citizenship, immigration status, or disability, or because the person intends to occupy a dwelling with one or more minor children, or because the person is a recipient of public assistance, or because the person is a victim of abuse, sexual assault, or stalking.*

*\* \* \**

*Sec. 12. 9 V.S.A. § 4502 is amended to read:*

*§ 4502. PUBLIC ACCOMMODATIONS*

*(a) An owner or operator of a place of public accommodation or an agent or employee of such owner or operator shall not, because of the race, creed, color, national origin, citizenship, immigration status, marital status, sex, sexual orientation, or gender identity of any person, refuse, withhold from, or deny to that person any of the accommodations, advantages, facilities, and privileges of the place of public accommodation.*

*\* \* \**

*Sec. 13. 9 V.S.A. § 4503 is amended to read:*

*§ 4503. UNFAIR HOUSING PRACTICES*

*(a) It shall be unlawful for any person:*

*(1) To refuse to sell or rent, or refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling or other real estate to any person because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, citizenship, immigration status, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.*

*(2) To discriminate against, or to harass, any person in the terms, conditions, privileges, and protections of the sale or rental of a dwelling or other real estate, or in the provision of services or facilities in connection with a dwelling or other real estate, because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, citizenship, immigration status, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.*

*(3) To make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling or other real estate that indicates any preference, limitation, or discrimination based on race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, citizenship, immigration status, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.*

*(4) To represent to any person because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, citizenship, immigration status, or disability of a person, or because a*

*person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking, that any dwelling or other real estate is not available for inspection, sale, or rental when the dwelling or real estate is in fact so available.*

*\* \* \**

*(6) To discriminate against any person in the making or purchasing of loans or providing other financial assistance for real-estate-related transactions or in the selling, brokering, or appraising of residential real property, because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, citizenship, immigration status, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.*

*(7) To engage in blockbusting practices, for profit, which may include inducing or attempting to induce a person to sell or rent a dwelling by representations regarding the entry into the neighborhood of a person or persons of a particular race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, citizenship, immigration status, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.*

*(8) To deny any person access to or membership or participation in any multiple listing service, real estate brokers' organization, or other service, organization, or facility relating to the business of selling or renting dwellings, or to discriminate against any person in the terms or conditions of such access, membership, or participation, on account of race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, citizenship, immigration status, or disability of a person, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.*

*\* \* \**

*(12) To discriminate in land use decisions or in the permitting of housing because of race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, citizenship, immigration status, disability, the presence of one or more minor children, income, or because of*

*the receipt of public assistance, or because a person is a victim of abuse, sexual assault, or stalking, except as otherwise provided by law.*

\* \* \*

*(d) If required by federal law, the verification of immigration status or differential treatment on the basis of citizenship or immigration status shall not constitute a violation of subsection (a) of this section with respect to the sale and rental of dwellings.*

*(e) For purposes of subdivision (a)(6) of this section, it shall not constitute unlawful discrimination for a lender to consider a credit applicant's immigration status to the extent such status has bearing on the lender's rights and remedies regarding loan repayment and further provided such consideration is consistent with any applicable federal law or regulation.*

\* \* \* LURB Study \* \* \*

*Sec. 14. 2024 Acts and Resolves No. 181, Sec. 11a is amended to read:*

*Sec. 11a. ACT 250 APPEALS STUDY*

*(a) On or before ~~January 15, 2026~~ November 15, 2025, the Land Use Review Board shall issue a report evaluating whether to transfer appeals of permit decisions and jurisdictional opinions issued pursuant to 10 V.S.A. chapter 151 to the Land Use Review Board or whether they should remain at the Environmental Division of the Superior Court. The Board shall convene a stakeholder group that at a minimum shall be composed of a representative of environmental interests, attorneys that practice environmental and development law in Vermont, the Vermont League of Cities and Towns, the Vermont Association of Planning and Development Agencies, the Vermont Chamber of Commerce, the Land Access and Opportunity Board, the Office of Racial Equity, the Vermont Association of Realtors, a representative of ~~non-profit~~ nonprofit housing development interests, a representative of for-profit housing development interests, a representative of commercial development interests, an engineer with experience in development, the Agency of Commerce and Community Development, and the Agency of Natural Resources in preparing the report. The Board shall provide notice of the stakeholder meetings on its website and each meeting shall provide time for public comment.*

*(b) The report shall at minimum recommend:*

*(1) whether to allow consolidation of appeals at the Board, or with the Environmental Division of the Superior Court, and how, including what resources the Board would need, if transferred to the Board, appeals of permit*

*decisions issued under 24 V.S.A. chapter 117 and the Agency of Natural Resources can be consolidated with Act 250 appeals;*

*(2) how to prioritize and expedite the adjudication of appeals related to housing projects, including the use of hearing officers to expedite appeals and the setting of timelines for processing of housing appeals;*

*(3) procedural rules to govern the Board's administration of Act 250 and the adjudication of appeals of Act 250 decisions. These rules shall include procedures to create a firewall and eliminate any potential for conflicts with the Board managing appeals and issuing permit decisions and jurisdictional opinions; and*

*(4) other actions the Board should take to promote the efficient and effective adjudication of appeals, including any procedural improvements to the Act 250 permitting process and jurisdictional opinion appeals.*

*(c) The report shall be submitted to the Senate Committees on Economic Development, Housing and General Affairs and on Natural Resources and Energy and the House Committee on Environment ~~and Energy~~.*

*\* \* \* Brownfields \* \* \**

*Sec. 15. 10 V.S.A. § 6604c is amended to read:*

*§ 6604c. MANAGEMENT OF DEVELOPMENT SOILS*

*(a) Management of development soils. Notwithstanding any other requirements of this chapter to the contrary, development soils may be managed at a location permitted pursuant to an insignificant waste event approval authorization issued pursuant to the Solid Waste Management Rules that contains, at a minimum, the following:*

*(1) the development soils are generated from a hazardous materials site managed pursuant to a corrective action plan or a soil management plan approved by the Secretary;*

*(2) the development soils have been tested for arsenic, lead, and polycyclic aromatic hydrocarbons pursuant to a monitoring plan approved by the Secretary that ensures that the soils do not leach above groundwater enforcement standards;*

*(3) the location where the soils are managed is appropriate for the amount and type of material being managed;*

*(4) the soils are capped in a manner approved by the Secretary;*

(5) any activity that may disturb the development soils at the permitted location shall be conducted pursuant to a soil management plan approved by the Secretary; and

(6) the permittee files a record notice of where the soils are managed in the land records.

\* \* \*

*Sec. 16. REPORT ON THE STATUS OF MANAGEMENT OF  
DEVELOPMENT SOILS*

(a) As part of the biennial report to the House Committee on Environment and the Senate Committee on Natural Resources and Energy under 10 V.S.A. § 6604(c), the Secretary of Natural Resources shall report on the status of the management of development soils in the State under 10 V.S.A. § 6604c. The report shall include:

(1) the number of insignificant waste event approval authorizations issued by the Secretary in the previous two years for the management of development soils;

(2) the number of certified categorical solid waste facilities operating in the State for the management of development soils;

(3) a summary of how the majority of development soils in the State are being managed;

(4) an estimate of the cost to manage development soils, depending on management method; and

(5) any additional information the Secretary determines relevant to the management of development soils in the State.

(b) As used in this section, "development soil" has the same meaning as in 10 V.S.A. § 6602(39).

*Sec. 17. 10 V.S.A. § 6641 is amended to read:*

*§ 6641. BROWNFIELD PROPERTY CLEANUP PROGRAM; CREATION;  
POWERS*

*(a) There is created the Brownfield Property Cleanup Program to enable certain interested parties to request the assistance of the Secretary to review and oversee work plans for investigating, abating, removing, remediating, and monitoring a property in exchange for protection from certain liabilities under section 6615 of this title. The Program shall be administered by the Secretary who shall:*

\* \* \*



(c) When conducting any review required by this subchapter, the Secretary shall prioritize the review of remediation at a site that contains housing or that is planned for the construction or rehabilitation of single-family or multifamily housing.

*Sec. 18. BROWNFIELDS PROCESS IMPROVEMENT; REPORT*

On or before November 1, 2025, the Secretary of Natural Resources shall report to the House Committees on Environment and on General and Housing and the Senate Committees on Economic Development, Housing and General Affairs and on Natural Resources and Energy with proposals to make the Program established pursuant to 10 V.S.A. chapter 159, subchapter 3 (brownfields reuse and liability limitation) substantially more efficient. At a minimum, the report shall include both of the following:

(1) A survey of stakeholders in the brownfields program to identify areas that present challenges to the redevelopment of contaminated properties, with a focus on redevelopment for housing. The Secretary shall provide recommendations to resolve these challenges.

(2) An analysis of strengths and weaknesses of implementing a licensed site professional program within the State. The Secretary shall make a recommendation on whether such a program should be implemented. If the Secretary recommends implementation, the report shall include any changes to statute or budget needed to implement this program.

*Sec. 19. FISCAL YEAR 2026 ENVIRONMENTAL CONTINGENCY FUND  
DISBURSEMENT FOR BROWNFIELDS*

In fiscal year 2026, the Secretary of Natural Resources is authorized to disburse up to \$2,000,000.00 from the Environmental Contingency Fund for the assessment, planning, and cleanup of brownfields sites.

*\* \* \* Tax Increment Financing \* \* \**

*Sec. 20. 24 V.S.A. chapter 53, subchapter 7 is added to read:*

Subchapter 7. Community and Housing Infrastructure Program

§ 1906. DEFINITIONS

As used in this subchapter:

(1) “Affordable housing” has the same meaning as in section 4303 of this title.

(2) “Affordable housing development” means a housing development of which at least 15 percent of the units are affordable housing units. Affordable units shall be subject to covenants or restrictions that preserve their



affordability until all indebtedness for the housing infrastructure project of which the housing development is part has been retired.

(3) "Brownfield" means a property on which the presence or potential presence of a hazardous material, pollutant, or contaminant complicates the expansion, development, redevelopment, or reuse of the property.

(4) "Committed" means pledged and appropriated for the purpose of the current and future payment of financing and related costs.

(5) "Developer" means the person undertaking to construct a housing development.

(6) "Financing" means debt, including principal, interest, and any fees or charges directly related to that debt, incurred by a sponsor, or other instruments or borrowing used by a sponsor, to pay for a housing infrastructure project and, in the case of a sponsor that is a municipality, authorized by the municipality pursuant to section 1910a of this subchapter.

(7) "Housing development" means the construction, rehabilitation, or renovation of any building on a housing development site approved under this subchapter.

(8) "Housing development site" means the parcel or parcels encompassing a housing development as authorized by a municipality pursuant to section 1908 of this subchapter.

(9) "Housing infrastructure agreement" means a legally binding agreement to finance and develop a housing infrastructure project and to construct a housing development among a municipality, a developer, and, if applicable, a third-party sponsor.

(10) "Housing infrastructure project" means one or more improvements authorized by a municipality pursuant to section 1908 of this subchapter.

(11) "Improvements" means:

(A) the installation, construction, or reconstruction of infrastructure that will serve a public good and fulfill the purpose stated in section 1907 of this subchapter; and

(B) the funding of debt service interest payments for a period of up to four years, beginning on the date on which the debt is first incurred.

(12) "Legislative body" means the mayor and alderboard, the city council, the selectboard, and the president and trustees of an incorporated village, as appropriate.

(13) “Lifetime education property tax increment retention” means the total education property tax increment to be retained for a housing infrastructure project across its lifetime.

(14) “Moderate-income housing” means housing for which the total annual cost of renting or ownership, as applicable, does not exceed 30 percent of the gross annual income of a household at 150 percent of the highest of the following:

(A) the county median income, as defined by the U.S. Department of Housing and Urban Development;

(B) the standard metropolitan statistical area median income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development; or

(C) the statewide median income, as defined by the U.S. Department of Housing and Urban Development.

(15) “Moderate-income housing development” means a housing development of which at least 25 percent of the units are moderate-income housing units. Moderate-income units shall be subject to covenants or restrictions that preserve their affordability until all indebtedness for the housing infrastructure project of which the housing development is part has been retired.

(16) “Municipality” means a city, town, or incorporated village.

(17) “Original taxable value” means the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property located within a housing development site as of its creation date, provided that no parcel within the housing development site shall be divided or bisected.

(18) “Related costs” means expenses incurred and paid by a municipality, exclusive of the actual cost of constructing and financing improvements, that are directly related to the creation and implementation of the municipality’s housing infrastructure project, including reimbursement of sums previously advanced by the municipality for those purposes. Related costs may include direct municipal expenses such as departmental or personnel costs related to creating or administering the housing infrastructure project to the extent they are paid from the tax increment realized from municipal and not education taxes and using only that portion of the municipal increment above the percentage required for servicing debt as determined in accordance with section 1910c of this subchapter.

(19) “Sponsor” means the person undertaking to finance a housing infrastructure project. Any of a municipality, a developer, or an independent

agency that meets State lending standards may serve as a sponsor for a housing infrastructure project.

§ 1907. PURPOSE

The purpose of the Community and Housing Infrastructure Program is to encourage the development of new primary residences for households of low and moderate income across both rural and urban areas of all Vermont counties that would not be created but for the infrastructure improvements funded by the Program.

§ 1908. CREATION OF HOUSING INFRASTRUCTURE PROJECT AND HOUSING DEVELOPMENT SITE

(a) The legislative body of a municipality may create within its jurisdiction a housing infrastructure project, which shall consist of improvements that stimulate the development of housing, and a housing development site, which shall consist of the parcel or parcels on which a housing development is installed or constructed.

(b) To create a housing infrastructure project and housing development site, a municipality, in coordination with stakeholders, shall:

(1) develop a housing development plan, including:

(A) a description of the proposed housing infrastructure project, the proposed housing development, and the proposed housing development site;

(B) identification of a sponsor;

(C) a tax increment financing plan meeting the standards of subsection 1910(h) of this subchapter;

(D) a pro forma projection of expected costs of the proposed housing infrastructure project;

(E) a projection of the tax increment to be generated by the proposed housing development;

(F) a development schedule that includes a list, a cost estimate, and a schedule for the proposed housing infrastructure project and the proposed housing development; and

(G) a determination that the proposed housing development furthers the purpose of section 1907 of this subchapter;

(2) develop a plan describing the housing development site by its boundaries and the properties therein, entitled "Proposed Housing Development Site (municipal name), Vermont";

(3) hold one or more public hearings, after public notice, on the proposed housing infrastructure project, including the plans developed pursuant to this subsection; and

(4) adopt by act of the legislative body of the municipality the plan developed under subdivision (2) of this subsection, which shall be recorded with the municipal clerk and lister or assessor.

(c) The creation of a housing development site shall occur at 12:01 a.m. on April 1 of the calendar year in which the Vermont Economic Progress Council approves the use of tax increment financing for the housing infrastructure project pursuant to section 1910 of this subchapter.

§ 1909. HOUSING INFRASTRUCTURE AGREEMENT

(a) The housing infrastructure agreement for a housing infrastructure project shall:

(1) clearly identify the sponsor for the housing infrastructure project;

(2) clearly identify the developer and the housing development for the housing development site;

(3) obligate the tax increments retained pursuant to section 1910c of this subchapter for not more than the financing and related costs for the housing infrastructure project;

(4) provide that any housing unit within the housing development be offered exclusively as a primary residence until all indebtedness for the housing infrastructure project of which the housing development is part has been retired, provided that this condition shall be satisfied by biennially providing a landlord certificate or homestead declaration; and

(5) provide for performance assurances to reasonably secure the obligations of all parties under the housing infrastructure agreement.

(b) A municipality shall provide notice of the terms of the housing infrastructure agreement for the municipality's housing infrastructure project to the legal voters of the municipality and shall provide the same information as set forth in subsection 1910a(e) of this subchapter.

§ 1910. HOUSING INFRASTRUCTURE PROJECT APPLICATION;  
VERMONT ECONOMIC PROGRESS COUNCIL

(a) Application. A municipality, upon approval of its legislative body, may apply to the Vermont Economic Progress Council to use tax increment financing for a housing infrastructure project.

(b) But-for test. The Vermont Economic Progress Council shall review each application other than those for which the housing development is an affordable housing development to determine whether the infrastructure improvements proposed to serve the housing development site and the proposed housing development would not have occurred as proposed in the application or would have occurred in a significantly different and less desirable manner than as proposed in the application but for the proposed utilization of the incremental tax revenues.

(c) Process requirements. The Vermont Economic Progress Council shall review a municipality's housing infrastructure project application to determine whether the municipality has:

(1) created a housing infrastructure project and housing development site pursuant to section 1908 of this subchapter;

(2) executed a housing infrastructure agreement for the housing infrastructure project that adheres to the standards of section 1909 of this subchapter with a developer and, if the municipality is not financing the housing infrastructure project itself, a sponsor; and

(3) approved or pledged to use incremental municipal tax revenues for the housing infrastructure project in the proportion provided for municipal tax revenues in section 1910c of this subchapter.

(d) Project criteria. The Vermont Economic Progress Council shall review a municipality's housing infrastructure project application to determine whether:

(1) at least 60 percent of the floor area of the projected housing development is dedicated to housing; or

(2) the projected housing development meaningfully addresses the purpose of section 1907 of this subchapter.

(e) Affordability criterion. The Vermont Economic Progress Council shall review a municipality's housing infrastructure project application to determine whether the projected housing development is an affordable housing development or a moderate-income housing development for purposes of the increased education property tax increment retention percentage under section 1910c of this subchapter.

(f) Tax increment financing plan. The Vermont Economic Progress Council shall approve a municipality's tax increment financing plan prior to a sponsor's incurrence of debt for the housing infrastructure project, including, if the sponsor is a municipality, prior to a public vote to pledge the credit of

the municipality under section 1910a of this subchapter. The tax increment financing plan shall include:

- (1) a statement of costs and sources of revenue;
- (2) estimates of assessed values within the housing development site;
- (3) the portion of those assessed values to be applied to the housing infrastructure project;
- (4) the resulting tax increments in each year of the financial plan and the lifetime education property tax increment retention;
- (5) the amount of bonded indebtedness or other financing to be incurred;
- (6) other sources of financing and anticipated revenues; and
- (7) the duration of the financial plan.

(g) Approval. The Vermont Economic Progress Council shall approve or deny an application submitted pursuant to this section not later than 90 days following the site visit conducted as part of the application's review. The Vermont Economic Progress Council shall only approve tax increment financing for applications:

- (1) that meet the process requirements, either of the project criteria of this section, and, for an application for which the housing development is not an affordable housing development, the but-for test;
- (2) for which the Council has approved the tax increment financing plan; and
- (3) that are submitted on or before December 31, 2035.

(h) Limit. The Vermont Economic Progress Council shall not annually approve more than \$200,000,000.00 in aggregate lifetime education property tax increment retention.

#### § 1910a. INDEBTEDNESS

(a) A municipality approved for tax increment financing under section 1910 of this subchapter may incur indebtedness against revenues of the housing development site at any time during a period of up to five years following the creation of the housing development site. The Vermont Economic Progress Council may extend this debt incursion period by up to three years.

(b) Notwithstanding any provision of any municipal charter, each instance of borrowing by a municipality to finance or otherwise pay for a housing infrastructure project shall occur only after the legal voters of the municipality, by a majority vote of all voters present and voting on the question at a special

or annual municipal meeting duly warned for the purpose, authorize the legislative body to pledge the credit of the municipality, borrow, or otherwise secure the debt for the specific purposes so warned.

(c) Any indebtedness incurred under this section may be retired over any period authorized by the legislative body of the municipality.

(d) The housing development site shall continue until the date and hour the indebtedness is retired or, if no debt is incurred, the debt incursion period ends.

(e) A municipal legislative body shall provide information to the public prior to the public vote required under subsection (b) of this section. This information shall include the amount and types of debt and related costs to be incurred, including principal, interest, and fees; terms of the debt; the housing infrastructure project to be financed; the housing development projected to occur because of the housing infrastructure project; and notice to the voters that if the tax increment received by the municipality from any property tax source is insufficient to pay the principal and interest on the debt in any year, the municipality shall remain liable for the full payment of the principal and interest for the term of the indebtedness. If interfund loans within the municipality are used, the information must also include documentation of the terms and conditions of the loan.

(f) If interfund loans within the municipality are used as the method of financing, no interest shall be charged.

(g) The use of a bond anticipation note shall not be considered a first incurrence of debt pursuant to subsection (a) of this section.

§ 1910b. ORIGINAL TAXABLE VALUE; TAX INCREMENT

(a) As of the date the housing development site is created, the lister or assessor for the municipality shall certify the original taxable value and shall certify to the legislative body in each year thereafter during the life of the housing development site the amount by which the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property within the housing development site has increased or decreased relative to the original taxable value.

(b) Annually throughout the life of the housing development site, the lister or assessor shall include not more than the original taxable value of the real property in the assessed valuation upon which the treasurer computes the rates of all taxes levied by the municipality and every other taxing district in which the housing development site is situated, but the treasurer shall extend all rates so determined against the entire assessed valuation of real property for that year.



(c) Annually throughout the life of the housing development site, a municipality shall remit not less than the aggregate education property tax due on the original taxable value to the Education Fund.

(d) Annually throughout the life of the housing development site, the municipality shall hold apart, rather than remit to the taxing districts, that proportion of all taxes paid that year on the real property within the housing development site that the excess valuation bears to the total assessed valuation. The amount held apart each year is the "tax increment" for that year. The tax increment shall only be used for financing and related costs.

(e) Not more than the percentages established pursuant to section 1910c of this subchapter of the municipal and State education tax increments received with respect to the housing development site and committed for the payment for financing for improvements and related costs shall be segregated by the municipality in a special tax increment financing account and in its official books and records until all capital indebtedness incurred for the housing infrastructure project has been fully paid. The final payment shall be reported to the treasurer, who shall thereafter include the entire assessed valuation of the housing development site in the assessed valuations upon which the municipal and other tax rates are computed and extended, and thereafter no taxes from the housing development site shall be deposited in the special tax increment financing account.

(f) Notwithstanding any charter provision or other provision, all property taxes assessed within a housing development site shall be subject to the provisions of this section. Special assessments levied under chapter 76A or 87 of this title or under a municipal charter shall not be considered property taxes for the purpose of this section if the proceeds are used exclusively for operating expenses related to properties within the housing development site and not for improvements within the housing development site.

§ 1910c. USE OF TAX INCREMENT; RETENTION PERIOD

(a) Uses of tax increments. A municipality may apply tax increments retained pursuant to this subchapter to debt incurred within the period permitted under section 1910a of this subchapter, to related costs, and to the direct payment of the cost of a housing infrastructure project. A municipality may provide tax increment to a sponsor only upon receipt of an invoice for payment of the financing, and the sponsor shall confirm to the municipality once the tax increment has been applied to the financing. Any direct payment shall be subject to the same public vote provisions of section 1910a of this subchapter as apply to debt.

(b) Education property tax increment.



(1) For a housing infrastructure project that does not satisfy the affordability criterion of section 1910 of this subchapter, up to 75 percent of the education property tax increment may be retained for up to 20 years, beginning the first year in which debt is incurred for the housing infrastructure project.

(2) For a housing infrastructure project that satisfies the affordability criterion of section 1910 of this subchapter, up to 85 percent of the education property tax increment may be retained for up to 20 years, beginning the first year in which debt is incurred for the housing infrastructure project.

(3) Upon incurring the first debt, a municipality shall notify the Department of Taxes and the Vermont Economic Progress Council of the beginning of the retention period of the education property tax increment.

(c) Municipal property tax increment. Not less than 85 percent of the municipal property tax increment may be retained, beginning the first year in which debt is incurred for the housing infrastructure project.

(d) Excess tax increment.

(1) Of the municipal and education property tax increments received in any tax year that exceed the amounts committed for the payment of the financing and related costs for a housing infrastructure project, equal portions of each increment may be retained for the following purposes:

(A) to prepay principal and interest on the financing;

(B) to place in a special tax increment financing account required pursuant to subsection 1910b(e) of this subchapter and use for future financing payments; or

(C) to use for defeasance of the financing.

(2) Any remaining portion of the excess education property tax increment shall be distributed to the Education Fund. Any remaining portion of the excess municipal property tax increment shall be distributed to the city, town, or village budget in the proportion that each budget bears to the combined total of the budgets unless otherwise negotiated by the city, town, or village.

(e) Adjustment of percentage. During the 10th year following the creation of a housing development site, the municipality shall submit an updated tax increment financing plan to the Vermont Economic Progress Council that shall include adjustments and updates of appropriate data and information sufficient for the Vermont Economic Progress Council to determine, based on tax increment financing debt actually incurred and the history of increment generated during the first 10 years, whether the percentages approved under

this section should be continued or adjusted to a lower percentage to be retained for the remaining duration of the retention period and still provide sufficient municipal and education increment to service the remaining debt.

§ 1910d. INFORMATION REPORTING

(a) A municipality with an active housing infrastructure project shall:

(1) develop a system, segregated for the housing infrastructure project, to identify, collect, and maintain all data and information necessary to fulfill the reporting requirements of this section;

(2) provide timely notification to the Department of Taxes and the Vermont Economic Progress Council of any housing infrastructure project debt, public vote, or vote by the municipal legislative body immediately following the debt incurrence or public vote on a form prescribed by the Council, including copies of public notices, agendas, minutes, vote tally, and a copy of the information provided to the public pursuant to subsection 1910a(e) of this subchapter; and

(3) annually on or before February 15, submit on a form prescribed by the Vermont Economic Progress Council an annual report to the Council and the Department of Taxes, including the information required by subdivision (2) of this subsection if not previously submitted, the information required for annual audit under section 1910e of this subchapter, and any information required by the Council or the Department of Taxes for the report required pursuant to subsection (b) of this section.

(b) Annually on or before April 1, the Vermont Economic Progress Council and the Department of Taxes shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development, on General and Housing, and on Ways and Means that provides the aggregate lifetime education property tax increment retention approved that year; describes common reasons applicants to the Community and Housing Infrastructure Program fail to secure approval for tax increment financing, and includes for each housing infrastructure project approved pursuant to this subchapter the following:

(1) the date of approval;

(2) a description of the housing infrastructure project;

(3) the original taxable value of the housing development site;

(4) the scope and value of projected and actual improvements and developments in the housing development site, including the number of housing units created;

(5) the sale prices for initial offerings of any housing units;

(6) the number and types of housing units for which a permit is being pursued under 10 V.S.A. chapter 151 (State land use and development plans) and, for each applicable housing development, the current stage of the permitting process;

(7) projected and actual incremental revenue amounts;

(8) the allocation of incremental revenue, including the amount allocated to related costs;

(9) projected and actual financing; and

(10) an evaluation of the amount of public funds flowing to private ownership or usage.

(c) On or before January 15, 2035, the Vermont Economic Progress Council shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development, on General and Housing, and on Ways and Means evaluating the success of the Community and Housing Infrastructure Program in achieving its purpose, as stated in section 1907 of this chapter, including by identifying the amount and kinds of housing produced through the Program and by determining whether housing development pursued through the Program meets the project criteria of section 1910 of this chapter.

#### § 1910e. AUDITING

Annually on or before April 1 until the year following the end of the period for retention of education property tax increment, a municipality with a housing infrastructure project approved under this subchapter shall ensure that the special tax increment financing account required by section 1910b of this subchapter is subject to the annual audit prescribed in section 1681 or 1690 of this title and submit a copy to the Vermont Economic Progress Council. If an account is subject only to the audit under section 1681 of this title, the Council shall ensure a process is in place to subject the account to an independent audit. Procedures for the audit must include verification of the original taxable value and annual and total municipal and education property tax increments generated, expenditures for financing and related costs, and current balance.

§ 1910f. RULEMAKING; GUIDANCE

(a) Authority to adopt rules and guidance.

(1) The Vermont Economic Progress Council may adopt rules that are reasonably necessary to implement this subchapter.

(2) The Vermont Economic Progress Council shall issue guidance to implement this subchapter on or before November 15, 2025. Upon issuance, the Vermont Economic Progress Council shall publicly post and submit to the Senate Committees on Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development, on General and Housing, and on Ways and Means any guidance documents.

(b) Authority to issue decisions.

(1) The Secretary of Commerce and Community Development, after reasonable notice to a municipality and an opportunity for a hearing, may issue decisions to a municipality on questions and inquiries concerning the administration of housing infrastructure projects, statutes, rules, noncompliance with this subchapter, and any instances of noncompliance identified in audit reports conducted pursuant to section 1910e of this subchapter.

(2) The Vermont Economic Progress Council shall prepare recommendations for the Secretary of Commerce and Community Development prior to any decision issued pursuant to subsection (b) of this section. The Council may prepare recommendations in consultation with the Commissioner of Taxes, the Attorney General, and the State Treasurer. In preparing recommendations, the Council shall provide a municipality with a reasonable opportunity to submit written information in support of its position.

(3) The Secretary of Commerce and Community Development shall review the recommendations of the Council and issue a final written decision on each matter within 60 days following receipt of the recommendations. The Secretary may permit an appeal to be taken by any party to a Superior Court for determination of questions of law in the same manner as the Supreme Court may by rule provide for appeals before final judgment from a Superior Court before issuing a final decision.

(c) Remedy for noncompliance. If the Secretary issues a decision under subsection (b) of this section that includes a finding of noncompliance and that noncompliance has resulted in the improper reduction in the amount due the Education Fund, the Secretary, unless and until the Secretary is satisfied that there is no longer any such failure to comply, shall request that the State Treasurer bill the municipality for the total identified underpayment. The

amount of the underpayment shall be due from the municipality upon receipt of the bill. If the municipality does not pay the underpayment amount within 60 days, the amount may be withheld from any funds otherwise payable by the State to the municipality or a school district in the municipality or of which the municipality is a member.

(d) Referral; Attorney General. In lieu of or in addition to any action authorized in subsection (c) of this section, the Secretary of Commerce and Community Development or the State Treasurer may refer the matter to the Office of the Attorney General with a recommendation that an appropriate civil action be initiated.

(e) Appeal; hearing officer. A hearing that is held pursuant to this section shall be subject to the provisions of 3 V.S.A. chapter 25 relating to contested cases. The hearing shall be conducted by the Secretary or by a hearing officer appointed by the Secretary. If a hearing is conducted by a hearing officer, the hearing officer shall have all authority to conduct the hearing that is provided for in the applicable contested case provisions of 3 V.S.A. chapter 25, including issuing findings of fact, hearing evidence, and compelling, by subpoena, the attendance and testimony of witnesses.

Sec. 21. 32 V.S.A. § 3325 is amended to read:

§ 3325. VERMONT ECONOMIC PROGRESS COUNCIL

(a) Creation. The Vermont Economic Progress Council is created to exercise the authority and perform the duties assigned to it, including its authority and duties relating to:

(1) the Vermont Employment Growth Incentive Program pursuant to subchapter 2 of this chapter; ~~and~~

(2) tax increment financing districts pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title; and

(3) the Community and Housing Infrastructure Program pursuant to 24 V.S.A. chapter 53, subchapter 7.

(b) Membership.

(1) The Council shall have 11 voting members:

(A) nine residents of the State appointed by the Governor with the advice and consent of the Senate who are knowledgeable and experienced in the subjects of community development and planning, education funding requirements, economic development, State fiscal affairs, property taxation, or entrepreneurial ventures and represent diverse geographical areas of the State and municipalities of various sizes;

*(B) one member of the Vermont House of Representatives appointed by the Speaker of the House; and*

*(C) one member of the Vermont Senate appointed by the Senate Committee on Committees.*

*(2)(A) The Council shall have two regional members from each region of the State, one appointed by the regional development corporation of the region and one appointed by the regional planning commission of the region.*

*(B) A regional member shall be a nonvoting member and shall serve during consideration by the Council of an application from ~~his or her~~ the member's region.*

*(3) Exclusively for purposes of reviewing and approving housing infrastructure project applications under the Community and Housing Infrastructure Program, the Council shall additionally have three nonvoting members:*

*(A) the Executive Director of the Vermont Housing Finance Agency or designee;*

*(B) the Executive Director of the Vermont Housing and Conservation Board or designee; and*

*(C) the Commissioner of Housing and Community Development or designee.*

\* \* \*

*(g) Decisions not subject to review. A decision of the Council to approve or deny an application under subchapter 2 of this chapter, ~~or~~ to approve or deny a tax increment financing district pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title, or to approve or deny a housing infrastructure project pursuant to 24 V.S.A. chapter 53, subchapter 7 is an administrative decision that is not subject to the contested case hearing requirements under 3 V.S.A. chapter 25 and is not subject to judicial review.*

*Sec. 22. COMMUNITY AND HOUSING INFRASTRUCTURE  
PROGRAM; VERMONT ECONOMIC PROGRESS COUNCIL;  
HOUSING DEVELOPMENT SITE; REPORT*

*On or before December 15, 2025, the Vermont Economic Progress Council shall report to the Senate Committees on Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development, on General and Housing, and on Ways and Means on considerations for amending the definition of "housing development site" under 24 V.S.A. §§ 1906 and 1908 to support the Community and Housing*

Infrastructure Program, including a recommendation on whether to include immediately contiguous parcels in the definition.

\* \* \* Smoke and Carbon Monoxide Alarms \* \* \*

Sec. 23. 9 V.S.A. chapter 77 is amended to read:

CHAPTER 77. SMOKE DETECTORS ALARMS AND CARBON MONOXIDE  
DETECTORS ALARMS

§ 2881. DEFINITIONS

As used in this chapter:

\* \* \*

(2) “Smoke ~~detector~~ alarm” means a device that detects visible or invisible particles of combustion and sounds a warning alarm, is operated from a power supply within the unit or wired to it from an outside source, and is approved or listed for the purpose by Underwriters Laboratory or by another nationally recognized independent testing laboratory.

(3) “Carbon monoxide ~~detector~~ alarm” means a device with an assembly that incorporates a sensor control component and an alarm notification that detects elevations in carbon monoxide levels and sounds a warning alarm, is operated from a power supply within the unit or wired to it from an outside source, and is approved or listed for the purpose by Underwriters Laboratory or by another nationally recognized independent testing laboratory.

§ 2882. INSTALLATION

(a) A person who constructs a single-family dwelling shall install ~~photoelectric-only-type photoelectric-type or UL 217 compliant smoke detectors~~ alarms in the vicinity of any bedrooms and on each level of the dwelling, and one or more carbon monoxide ~~detectors~~ alarms in the vicinity of any bedrooms in the dwelling in accordance with the manufacturer’s instructions. In a dwelling provided with electrical power, ~~detectors~~ alarms shall be powered by the electrical service in the building and by battery.

(b) Any single-family dwelling when transferred by sale or exchange shall contain ~~photoelectric-only-type photoelectric-type or UL 217 compliant smoke detectors~~ alarms in the vicinity of any bedrooms and on each level of the dwelling installed in accordance with the manufacturer’s instructions and one or more carbon monoxide ~~detectors~~ alarms installed in accordance with the manufacturer’s instructions. A single-family dwelling constructed before January 1, 1994 may contain smoke ~~detectors~~ alarms powered by the electrical service in the building or by battery, or by a combination of both. In a single-



*family dwelling newly constructed after January 1, 1994 that is provided with electrical power, smoke ~~detectors~~ alarms shall be powered by the electrical service in the building and by battery. In a single-family dwelling newly constructed after July 1, 2005 that is provided with electrical power, carbon monoxide ~~detectors~~ alarms shall be powered by the electrical service in the building and by battery.*

*(c) Nothing in this section shall require an owner or occupant of a single-family dwelling to maintain or use a smoke ~~detector~~ alarm or a carbon monoxide ~~detector~~ alarm after installation.*

*§ 2883. REQUIREMENTS FOR TRANSFER OF DWELLING*

*(a) The seller of a single-family dwelling, including one constructed for first occupancy, whether the transfer is by sale or exchange, shall certify to the buyer at the closing of the transaction that the dwelling is provided with ~~photoelectric-only-type~~ photoelectric-type or UL 217 compliant smoke ~~detectors~~ alarms and carbon monoxide ~~detectors~~ alarms in accordance with this chapter. This certification shall be signed and dated by the seller.*

*(b) If the buyer notifies the seller within 10 days by certified mail from the date of conveyance of the dwelling that the dwelling lacks any ~~photoelectric-only-type~~ photoelectric-type or UL 217 compliant smoke ~~detectors~~ alarms, or any carbon monoxide ~~detectors~~ alarms, or that any ~~detector~~ alarm is not operable, the seller shall comply with this chapter within 10 days after notification.*

*\* \* \**

*Sec. 24. 20 V.S.A. § 2731 is amended to read:*

*§ 2731. RULES; INSPECTIONS; VARIANCES*

*\* \* \**

*(j) ~~Detectors~~ Alarms. Rules adopted under this section shall require that information written, approved, and distributed by the Commissioner on the type, placement, and installation of ~~photoelectric~~ photoelectric-type or UL 217 compliant smoke ~~detectors~~ alarms and carbon monoxide ~~detectors~~ alarms be conspicuously posted in the retail sales area where the ~~detectors~~ alarms are sold.*

*\* \* \**

*\* \* \* Effective Dates \* \* \**

*Sec. 25. EFFECTIVE DATES*

*This act shall take effect on July 1, 2025, except that Sec. 4 (Rental Housing*



Revolving Loan Program), Sec. 7 (repeal; Act 181 prospective landlord certificate changes), and this section shall take effect on passage.