

1 S.127

2 An act relating to housing and housing development

3 The House proposes to the Senate to amend the bill by striking out all after  
4 the enacting clause and inserting in lieu thereof the following:

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

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

7 § 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

8 (a) Creation of Program.

9 \* \* \*

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

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

19 \* \* \*

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

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

8 \* \* \*

(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.

15           (2)(A) Except as provided in subdivision ~~(2)(B)~~ of this subsection  
16       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;

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

1 (iii) composed of at least one individual with a disability who  
2 ~~receives or is eligible approved~~ to receive Medicaid-funded ~~home- and~~  
3 ~~community-based home- and community-based~~ services or Social Security  
4 Disability Insurance;  
5 (iv) displaced due to a natural disaster; or  
6 (v) with approval from the Department in writing, an organization  
7 that will hold a master lease that explicitly states the unit will be used in  
8 service of the populations described in this subsection (e).

9 \* \* \*

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

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

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

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

1 exceed the applicable fair market rent established by the Department of  
2 Housing and Urban Development, except that a landlord may accept a housing  
3 voucher that exceeds fair market rent, if available.

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

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

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

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

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

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

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

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

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

7       ~~(4)(3)~~ The Department shall forgive ~~40 percent of the~~ a prorated amount  
8 of a forgivable loan for each year a landlord participates in the loan program.

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

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

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

18       (A) the availability of housing vouchers;

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

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

21       (D) the support services available for landlords; and





1 financial assistance or awards to manufactured homeowners and manufactured  
2 home park owners to improve existing homes, incentivize new slab placement  
3 for prospective homeowners, and incentivize park improvements for infill of  
4 more homes.

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

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

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

18 (3) The Department may award up to \$15,000.00 per grant to a  
19 homeowner to pay for a foundation or federal Department of Housing and  
20 Urban Development-approved slab, site preparation, skirting, tie-downs, and  
21 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 purchase bonds  
2       from municipalities to expand infrastructure capacity. Eligible activities  
3       include:
- 4               (A) preliminary engineering and planning;  
5               (B) engineering design and bid specifications;  
6               (C) construction for municipal water and wastewater systems;  
7               (D) transportation investments, including those required by municipal  
8       regulation, the municipality's official map, designation requirements, or other  
9       planning or engineering identifying complete streets and transportation and  
10       transit related improvements, including improvements 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;

8               (3) the proximity to a designated area;

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

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

12              (6) the relative need and capacity of the community.

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

16              (1) the maximum loan or bond amount;

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

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

19              (4) the maximum interest rate;

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

- 1       (6) the necessary security for the loan or bond; and  
2       (7) any additional covenants required to further secure the loan or bond.  
3       (h) Revolving fund.  
4       (1) Any funds repaid or returned from the Infrastructure Sustainability  
5       Fund shall be deposited into the Fund and used to continue the program  
6       established in this section.  
7       (2) The Bank may use the funds in conjunction with other Bank  
8       programs to accomplish the policy objectives outlined in this section.

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

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

11       Sec. 38. RENTAL HOUSING REVOLVING LOAN PROGRAM

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

16       (b) Loans; eligibility; criteria.

17   \* \* \*

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

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

1 (i) seven years; or

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

3 (B) during the affordability period determined pursuant to

4 subdivision (A) of this subdivision (7), the annual increase in rent for a

5 subsidized unit does not exceed three percent or an amount otherwise

6 authorized by the Agency.

7 \* \* \*

8 \* \* \* Universal Design Study Committee \* \* \*

9 Sec. 5. RESIDENTIAL UNIVERSAL DESIGN STANDARDS; STUDY

10 COMMITTEE; REPORT

11 (a) Creation. There is created the Residential Universal Design Study

12 Committee to explore implementation of statewide universal design standards

13 for all residential buildings.

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

15 members with preference for appointment of members with lived experience:

16 (1) one member of the House of Representatives, who shall be

17 appointed by the Speaker of the House;

18 (2) one member of the Senate, who shall be appointed by the Committee

19 on Committees;

20 (3) one member, appointed by the Vermont Builders and Remodelers

21 Association;

- 1       (4) one member, appointed by the Vermont Chapter of the American  
2   Institute of Architects;  
3       (5) the Director of Fire Safety or designee;  
4       (6) one member of the Vermont Access Board, appointed by the Chair;  
5       (7) one member, appointed by the Vermont Housing Finance Agency;  
6       (8) one member, appointed by the Vermont Housing and Conservation  
7   Board;  
8       (9) one member, appointed by the Vermont Center for Independent  
9   Living;  
10       (10) one member, appointed by the Vermont Developmental Disabilities  
11   Council;  
12       (11) the Commissioner of Housing and Community Development or  
13   designee;  
14       (12) one member, appointed by the Vermont Leagues of Cities and  
15   Towns;  
16       (13) one member, appointed by the Vermont Assessors and Listers  
17   Association;  
18       (14) one member, appointed by the Vermont Association of Realtors;  
19       (15) the Commissioner of Disabilities, Aging and Independent Living or  
20   designee;  
21       (16) one member, appointed by ADA Inspections Nationwide, LLC; and

1       (17) one member, appointed by the Associated General Contractors of  
2       Vermont.

3       (c) Powers and duties. The Committee shall study the development and  
4       implementation of statewide universal design standards for residential  
5       buildings, including identification and analysis of the following issues:

6           (1) existing federal and state laws regarding the Americans with  
7       Disabilities Act, 42 U.S.C. §§ 12101–12213, standards and building codes;

8           (2) existing federal, state, and international best practices and standards  
9       addressing accessibility and adaptability characteristics of single-family and  
10       multiunit buildings;

11          (3) opportunities and challenges for supporting the residential building  
12       industry in meeting universal design standards, including considerations of  
13       workforce education and training;

14          (4) cost benefits and impacts of adopting a universal design standard for  
15       residential buildings;

16          (5) opportunities and challenges with enforcement of identified  
17       standards; and

18          (6) impacts to the valuation and financing of impacted buildings.

19       (d) Assistance. The Committee shall have the administrative, technical,  
20       and legal assistance of the Department of Housing and Community  
21       Development.

1       (e) Report. On or before November 1, 2025, the Committee shall submit a  
2       written report to the House Committee on General and Housing and the Senate  
3       Committee on Economic Development, Housing and General Affairs with its  
4       findings and any recommendations for legislative action.

5       (f) Meetings.

6           (1) The member of the House of Representatives shall call the first  
7       meeting of the Committee to occur on or before June 1, 2025.

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

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

11          (4) The Committee shall cease to exist on December 1, 2025.

12       (g)(1) Compensation and reimbursement. For attendance at meetings  
13       during adjournment of the General Assembly, a legislative member of the  
14       Committee serving in the member's capacity as a legislator shall be entitled to  
15       per diem compensation and reimbursement of expenses pursuant to 2 V.S.A.  
16       § 23 for not more than six meetings. These payments shall be made from  
17       monies appropriated to the General Assembly.

18           (2) Members of the Committee who are not otherwise compensated for  
19       their time shall be entitled to per diem compensation as permitted under  
20       32 V.S.A. § 1010 for not more than six meetings. These payments shall be



1 made from monies appropriated to the Department of Housing and Community  
2 Development for that purpose.

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

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

8 Sec. 6. STATE HOUSING AND RESIDENTIAL SERVICES PLANNING  
9 COMMITTEE; REPORT

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

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

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

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

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

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

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

3       (6) the State Treasurer or designee;

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

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

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

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

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

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

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

19       (1) a schedule for the creation of at least 600 additional units of service-  
20       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.

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

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

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

1       (f) Meetings.

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

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

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

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

8       (g)(1) Compensation and reimbursement. For attendance at meetings  
9       during adjournment of the General Assembly, a legislative member of the  
10       Committee serving in the member's capacity as a legislator shall be entitled to  
11       per diem compensation and reimbursement of expenses pursuant to 2 V.S.A.  
12       § 23 for not more than six meetings. These payments shall be made from  
13       monies appropriated to the General Assembly.

14           (2) Members of the Committee who are not otherwise compensated for  
15       their time shall be entitled to per diem compensation as permitted under  
16       32 V.S.A. § 1010 for not more than six meetings. These payments shall be  
17       made from monies appropriated to the Department of Housing and Community  
18       Development for that purpose.

19       (h) Intent to appropriate. Notwithstanding subsection (g)(2) of this section,  
20       per diems for the cost of attending meetings shall only be available in the event

1 an appropriation is made in fiscal year 2026 from the General Fund to the  
2 Department of Housing and Community Development for that purpose.

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

4 Sec. 7. 32 V.S.A. § 5404 is amended to read:

5 § 5404. DETERMINATION OF EDUCATION PROPERTY TAX GRAND  
6 LIST

7 \* \* \*

8 (b) Annually, on or before August 15, the clerk of a municipality, or the  
9 supervisor of an unorganized town or gore, shall transmit to the Director in an  
10 electronic or other format as prescribed by the Director: education and  
11 municipal grand list data, including exemption information and grand list  
12 abstracts; tax rates; an extract of the assessor database also referred to as a  
13 Computer Assisted Mass Appraisal (CAMA) system or Computer Assisted  
14 Mass Appraisal database; and the total amount of taxes assessed in the town or  
15 unorganized town or gore. The data transmitted shall identify each parcel by a  
16 parcel identification number assigned under a numbering system prescribed by  
17 the Director. Municipalities may continue to use existing numbering systems  
18 in addition to, but not in substitution for, the parcel identification system  
19 prescribed by the Director. If changes or additions to the grand list are made  
20 by the listers or other officials authorized to do so after such abstract has been  
21 so transmitted, such clerks shall forthwith certify the same to the Director.

1 \* \* \*

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

3 Sec. 8. REPEAL; ACT 181 PROSPECTIVE LANDLORD CERTIFICATE  
4 CHANGES

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

8 Sec. 9. 32 V.S.A. § 6069 is amended to read:

9 § 6069. LANDLORD CERTIFICATE

10 \* \* \*

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

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

15 (1) the name of the each renter;

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

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

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

6 \* \* \*

~~(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:~~

11 ~~(1) name of owner or landlord;~~

12           ~~(2) mailing address of landlord;~~

13 ~~(3) location of rental unit;~~

14 ~~(4) type of rental unit;~~

15 ~~(5) number of units in building; and~~

16           ~~(6) School Property Account Number.~~ Annually on or before December  
17   15, the Department shall submit a report on the aggregated data collected under  
18   this section to the House Committee on General and Housing and the Senate  
19   Committee on Economic Development, Housing and General Affairs.

20 \* \* \* Land Bank Report \* \* \*

1 Sec. 10. DHCD LAND BANK REPORT

2 (a) On or before November 1, 2025, the Department of Housing and  
3 Community Development shall issue a report to the House Committee on  
4 General and Housing and the Senate Committee on Economic Development,  
5 Housing and General Affairs outlining a legal framework for implementation  
6 of a State land bank. The report shall include proposed legislative language  
7 specific to:

8 (1) the creation of a statewide land bank;

9 (2) the authorization of regional or municipal land banks; and

10 (3) the identification of funding proposals to support the sustainability  
11 of each separate model.

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

15 \* \* \* Housing and Public Accommodations Protections \* \* \*

16 Sec. 11. 9 V.S.A. § 4456a is amended to read:

17 § 4456a. RESIDENTIAL RENTAL APPLICATION ~~FEES; PROHIBITED~~

18 (a) A landlord or a landlord's agent shall not charge an application fee to  
19 any individual in order to apply to enter into a rental agreement for a  
20 residential dwelling unit. This ~~section~~ subsection shall not be construed to



1 prohibit a person from charging a fee to a person in order to apply to rent  
2 commercial or nonresidential property.

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

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

7 (B) an Individual Taxpayer Identification Number; or

8 (C) a Social Security number.

9 (2) A residential rental application shall inform an applicant that the  
10 applicant may provide any of the above forms of identification in order to  
11 conduct a background or credit check.

12 Sec. 12. 9 V.S.A. § 4501 is amended to read:

13 § 4501. DEFINITIONS

14 As used in this chapter:

15 \* \* \*

16 (12)(A) “Harass” means to engage in unwelcome conduct that detracts  
17 from, undermines, or interferes with a person’s:

18 (i) use of a place of public accommodation or any of the  
19 accommodations, advantages, facilities, or privileges of a place of public  
20 accommodation because of the person’s race, creed, color, national origin,

\* \* \*

13     § 4502. PUBLIC ACCOMMODATIONS

\* \* \*

1 Sec. 14. 9 V.S.A. § 4503 is amended to read:

2 § 4503. UNFAIR HOUSING PRACTICES

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

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

12 (2) To discriminate against, or to harass, any person in the terms,  
13 conditions, privileges, and protections of the sale or rental of a dwelling or  
14 other real estate, or in the provision of services or facilities in connection with  
15 a dwelling or other real estate, because of the race, sex, sexual orientation,  
16 gender identity, age, marital status, religious creed, color, national origin,  
17 citizenship, immigration status, or disability of a person, or because a person  
18 intends to occupy a dwelling with one or more minor children, or because a  
19 person is a recipient of public assistance, or because a person is a victim of  
20 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.

19           (6) To discriminate against any person in the making or purchasing of  
20    loans or providing other financial assistance for real-estate-related transactions  
21    or in the selling, brokering, or appraising of residential real property, because

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

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

15 (8) To deny any person access to or membership or participation in any  
16 multiple listing service, real estate brokers' organization, or other service,  
17 organization, or facility relating to the business of selling or renting dwellings,  
18 or to discriminate against any person in the terms or conditions of such access,  
19 membership, or participation, on account of race, sex, sexual orientation,  
20 gender identity, age, marital status, religious creed, color, national origin,  
21 citizenship, immigration status, or disability of a person, or because a person is

1 a recipient of public assistance, or because a person is a victim of abuse, sexual  
2 assault, or stalking.

3 \* \* \*

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

10 \* \* \*

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

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

20 \* \* \* Housing Appeals \* \* \*

1 Sec. 15. 10 V.S.A. § 8502 is amended to read:

2 § 8502. DEFINITIONS

3 As used in this chapter:

4 \* \* \*

5 (7) “Person aggrieved” means a person who alleges an injury to a  
6 particularized interest protected by the provisions of law listed in section 8503  
7 of this title, attributable to an act or decision by a district coordinator, District  
8 Commission, the Secretary, an appropriate municipal panel, or the  
9 Environmental Division that can be redressed by the Environmental Division  
10 or the Supreme Court.

11 \* \* \*

12 Sec. 16. 10 V.S.A. § 8504 is amended to read:

13 § 8504. APPEALS TO THE ENVIRONMENTAL DIVISION

14 \* \* \*

15 (b) Planning and zoning chapter appeals.

16 (1) Within 30 days of the date of the act or decision, an interested  
17 person, as defined in 24 V.S.A. § 4465, or a person aggrieved, who has  
18 participated as defined in 24 V.S.A. § 4471 in the municipal regulatory  
19 proceeding under that chapter may appeal to the Environmental Division an act  
20 or decision made under that chapter by a board of adjustment, a planning  
21 commission, or a development review board; provided, however, that decisions

1 of a development review board under 24 V.S.A. § 4420 with respect to local  
2 Act 250 review of municipal impacts are not subject to appeal but shall serve  
3 as presumptions under chapter 151 of this title.

4 \* \* \*

5 (h) De novo hearing. The Environmental Division, applying the  
6 substantive standards that were applicable before the tribunal appealed from,  
7 shall hold a de novo hearing on those issues that have been appealed, ~~except~~.  
8 For a municipal land use permit application for a housing development, if the  
9 appeal is of a denial, the Environmental Division shall determine if the  
10 application is consistent with the municipal bylaw or land use regulation that  
11 directly affects the property or if the appeal is of an approval, if the application  
12 is inconsistent with the municipal bylaw or land use regulation that directly  
13 affects the property. It shall not be de novo in the case of:

14 (1) a decision being appealed on the record pursuant to 24 V.S.A.  
15 chapter 117; or

16 (2) a decision of the Commissioner of Forests, Parks and Recreation  
17 under section 2625 of this title being appealed on the record, in which case the  
18 court shall affirm the decision, unless it finds that the Commissioner did not  
19 have reasonable grounds on which to base the decision.

20 \* \* \*



1 (k) Limitations on appeals. Notwithstanding any other provision of this  
2 section:

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

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

10 (3) if a District Commission issues a partial decision under subsection  
11 6086(b) of this title, any appeal of that decision must be taken within 30 days  
12 following the date of that decision; ~~and~~

13 (4) it shall be the goal of the Environmental Division to issue a decision  
14 on a case regarding an appeal of an appropriate municipal panel decision under  
15 24 V.S.A. chapter 117 within 90 days following the close of the hearing; and

16 (5) except for cases the court considers of greater importance, appeals of  
17 an appropriate municipal panel decision under 24 V.S.A. chapter 117 involving  
18 housing development take precedence on the docket over other cases and shall  
19 be assigned for hearing and trial or for argument accordingly.

20 \* \* \*

1 Sec. 17. 24 V.S.A. § 4465 is amended to read:

2 § 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

3 \* \* \*

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

6 (1) A person owning title to property, or a municipality or solid waste  
7 management district empowered to condemn it or an interest in it, affected by a  
8 bylaw, who alleges that the bylaw imposes on the property unreasonable or  
9 inappropriate restrictions of present or potential use under the particular  
10 circumstances of the case.

11 (2) The municipality that has a plan or a bylaw at issue in an appeal  
12 brought under this chapter or any municipality that adjoins that municipality.

13 ~~(3) A person owning or occupying property in the immediate~~  
14 ~~neighborhood of a property that is the subject of any decision or act taken~~  
15 ~~under this chapter, who can demonstrate a physical or environmental impact on~~  
16 ~~the person’s interest under the criteria reviewed, and who alleges that the~~  
17 ~~decision or act, if confirmed, will not be in accord with the policies, purposes,~~  
18 ~~or terms of the plan or bylaw of that municipality.~~

19 ~~(4) Any 20 persons who may be any combination of voters, residents, or~~  
20 ~~real property owners within a municipality listed in subdivision (2) of this~~  
21 ~~subsection who, by signed petition to the appropriate municipal panel of a~~

9           ~~(5)~~ Any department and administrative subdivision of this State owning  
10 property or any interest in property within a municipality listed in subdivision  
11 (2) of this subsection, and the Agency of Commerce and Community  
12 Development of this State.

14      Sec. 18. 24 V.S.A. § 4441 is amended to read:

16 AMENDMENT OR REPEAL

18        (i) Notwithstanding this section and any other law to the contrary, for  
19        bylaw amendments that are required to comply with amendments to this  
20        chapter, no hearings are required to be held on the bylaw amendments.

VT LEG #383889 v.1

1 Sec. 19. 2024 Acts and Resolves No. 181, Sec. 11a is amended to read:

2 Sec. 11a. ACT 250 APPEALS STUDY

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

1 (b) The report shall at minimum recommend:

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

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

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

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

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

21 \* \* \* Brownfields \* \* \*

1 Sec. 20. 10 V.S.A. § 6604c is amended to read:

2 § 6604c. MANAGEMENT OF DEVELOPMENT SOILS

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

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

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

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

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

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

3 \* \* \*





1 Program established pursuant to 10 V.S.A. chapter 159, subchapter 3  
2 (brownfields reuse and liability limitation) substantially more efficient. At a  
3 minimum, the report shall include both of the following:

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

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

13 Sec. 24. FISCAL YEAR 2026 ENVIRONMENTAL CONTINGENCY FUND

14 DISBURSEMENT FOR BROWNFIELDS

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

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

1   Sec. 25. 24 V.S.A. chapter 53, subchapter 7 is added to read:

2           Subchapter 7. Community and Housing Infrastructure Program

3   § 1906. DEFINITIONS

4       As used in this subchapter:

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

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

10          (3) “Developer” means the person undertaking to construct a housing  
11 development.

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

17          (5) “Housing development” means the construction, rehabilitation, or  
18 renovation of any building on a housing development site approved under this  
19 subchapter.

1       (6) “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       (7) “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       (8) “Housing infrastructure project” means one or more improvements  
9       authorized by a municipality pursuant to section 1908 of this subchapter.

10       (9) “Improvements” means:

11       (A) any of the following that will serve a public good and fulfill the  
12       purpose of section 1907 of this subchapter:

13       (i) the installation or construction of:

14       (I) wastewater, storm water, water dispersal, water collection,  
15       water treatment facilities and equipment, or related wastewater, storm water, or  
16       water equipment;

17       (II) public roads, streets, bridges, multimodal facilities, public  
18       transit stop equipment and amenities, street and sidewalk lighting, sidewalks,  
19       streetscapes, way-finding signs and kiosks, traffic signals, medians, or turn  
20       lanes; or

21       (III) digital or telecommunications infrastructure;

1                   (ii) site preparation for development or redevelopment, including  
2 land and property acquisition, demolition, brownfield remediation, or flood  
3 remediation and mitigation; and

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

6                   (10) “Legislative body” means the mayor and alderboard, the city  
7 council, the selectboard, and the president and trustees of an incorporated  
8 village, as appropriate.

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

12                   (12) “Mixed-income housing” means housing that is subject to a  
13 housing subsidy covenant, as defined in 27 V.S.A. § 610, of perpetual  
14 duration.

15                   (13) “Mixed-income housing development” means a housing  
16 development of which at least 20 percent of the units are mixed-income  
17 housing units.

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

19                   (15) “Original taxable value” means the total valuation as determined in  
20 accordance with 32 V.S.A. chapter 129 of all taxable real property located

1 within a housing development site as of its creation date, provided that no  
2 parcel within the housing development site shall be divided or bisected.

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

14 (17) “Sponsor” means the person undertaking to finance a housing  
15 infrastructure project. Any of a municipality, a developer, or an independent  
16 agency that meets State lending standards may serve as a sponsor for a housing  
17 infrastructure project.

18 § 1907. PURPOSE

19 The purpose of the pilot Community and Housing Infrastructure Program is  
20 to encourage the development of new primary residences for households of  
21 low and moderate income across both rural and urban areas of all Vermont

1 counties that would not be created but for the infrastructure improvements  
2 funded by the Program.

3 § 1908. CREATION OF HOUSING INFRASTRUCTURE PROJECT AND  
4 HOUSING DEVELOPMENT SITE

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

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

12 (1) develop a housing development plan, including:

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

15 (B) identification of a sponsor;

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

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

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

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

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

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

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

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

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

19          § 1909. HOUSING INFRASTRUCTURE AGREEMENT

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

- 1       (1) clearly identify the sponsor for the housing infrastructure project;
- 2       (2) clearly identify the developer and the housing development for the
- 3 housing development site;
- 4       (3) obligate the tax increments retained pursuant to section 1910c of this
- 5 subchapter for not more than the financing and related costs for the housing
- 6 infrastructure project;
- 7       (4) provide terms and sufficient remedies or, if the municipality so
- 8 elects, an ordinance to ensure that any housing unit within the housing
- 9 development be offered exclusively as a bona fide domicile in perpetuity; and
- 10       (5) provide for performance assurances to reasonably secure the
- 11 obligations of all parties under the housing infrastructure agreement.
- 12       (b) A municipality shall provide notice of the terms of the housing
- 13 infrastructure agreement for the municipality's housing infrastructure project
- 14 to the legal voters of the municipality and shall provide the same information
- 15 as set forth in subsection 1910a(e) of this subchapter.
- 16       § 1910. HOUSING INFRASTRUCTURE PROJECT APPLICATION;
- 17       VERMONT ECONOMIC PROGRESS COUNCIL
- 18       (a) Application. A municipality, upon approval of its legislative body, may
- 19 apply to the Vermont Economic Progress Council to use tax increment
- 20 financing for a housing infrastructure project.



1        (b) But-for test. The Vermont Economic Progress Council shall review  
2        each application to determine whether the infrastructure improvements  
3        proposed to serve the housing development site and the proposed housing  
4        development would not have occurred as proposed in the application or would  
5        have occurred in a significantly different and less desirable manner than as  
6        proposed in the application but for the proposed utilization of the incremental  
7        tax revenues. The review shall take into account:

8                (1) the amount of additional time, if any, needed to complete the  
9        proposed housing development and the amount of additional cost that might be  
10       incurred if the project were to proceed without education property tax  
11       increment financing;

12                (2) how the proposed housing development components and size would  
13       differ, if at all, including, if applicable to the housing development, in the  
14       number of units of mixed-income housing, without education property tax  
15       increment financing; and

16                (3)(A) the amount of additional revenue expected to be generated as a  
17       result of the proposed housing development;

18                (B) the percentage of that revenue that shall be paid to the Education  
19       Fund;

20                (C) the percentage that shall be paid to the municipality; and

1           (D) the percentage of the revenue paid to the municipality that shall  
2 be used to pay financing incurred for the infrastructure improvements.

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

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

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

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

15           (d) Project criterion. The Vermont Economic Progress Council shall  
16 review a municipality's housing infrastructure project application to determine  
17 whether at least 65 percent of the floor area of the projected housing  
18 development is dedicated to housing.

19           (e) Mixed-income criterion. The Vermont Economic Progress Council  
20 shall review a municipality's housing infrastructure project application to  
21 determine whether the projected housing development is a mixed-income

1 housing development for purposes of the increased education property tax  
2 increment retention percentage under section 1910c of this subchapter.

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

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

18 (g) Approval. The Vermont Economic Progress Council shall approve or  
19 deny an application submitted pursuant to this section not later than 45 days  
20 following receipt of the completed application. The Vermont Economic  
21 Progress Council shall only approve tax increment financing for applications:

1       (1) that meet the but-for test, the process requirements, and the project  
2       criterion of this section;

3       (2) for which the Council has approved the tax increment financing  
4       plan; and

5       (3) that are submitted on or before December 31, 2031.

6       (h) Limit. The Vermont Economic Progress Council shall not annually  
7       approve more than \$40,000,000.00 in aggregate lifetime education property tax  
8       increment retention. The Vermont Economic Progress Council may increase  
9       this limit by not more than \$5,000,000.00 upon application by the Governor to,  
10      and approval of, the Joint Fiscal Committee. In evaluating the Governor's  
11      request, the Joint Fiscal Committee shall consider the economic and fiscal  
12      condition of the State, including recent revenue forecasts and budget  
13      projections. The Vermont Economic Progress Council shall provide the Joint  
14      Fiscal Committee with testimony, documentation, housing infrastructure  
15      project application data, and any other information the Committee requests to  
16      demonstrate that increasing the cap will create an opportunity for the creation  
17      of additional housing to meet the needs of a municipality or municipalities and  
18      the State.

19      § 1910a. INDEBTEDNESS

20      (a) A municipality approved for tax increment financing under section  
21      1910 of this subchapter may incur indebtedness against revenues of the

1 housing development site at any time during a period of up to five years  
2 following the creation of the housing development site. The Vermont  
3 Economic Progress Council may extend this debt incursion period by up to  
4 three years.

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

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

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

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 the

1 housing development site in the assessed valuations upon which the municipal  
2 and other tax rates are computed and extended, and thereafter no taxes from  
3 the housing development site shall be deposited in the special tax increment  
4 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. A municipality  
17 may provide tax increment to a sponsor only upon receipt of an invoice for  
18 payment of the financing, and the sponsor shall confirm to the municipality  
19 once the tax increment has been applied to the financing. Any direct payment  
20 shall be subject to the same public vote provisions of section 1910a of this  
21 subchapter as apply to debt.



1       (b) Education property tax increment.

2           (1) For a housing infrastructure project that does not satisfy the mixed-  
3 income criterion of section 1910 of this subchapter, up to 60 percent of the  
4 education property tax increment may be retained for up to 20 years, beginning  
5 the first year in which debt is incurred for the housing infrastructure project.

6           (2) For a housing infrastructure project that satisfies the mixed-income  
7 criterion of section 1910 of this subchapter, up to 80 percent of the education  
8 property tax increment may be retained for up to 20 years, beginning the first  
9 year in which debt is incurred for the housing infrastructure project.

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

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

16       (d) Excess tax increment.

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

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

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

5           (C) to use for defeasance of the financing.

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

12          (e) Adjustment of percentage. During the fifth year following the creation  
13 of a housing development site, the municipality shall submit an updated tax  
14 increment financing plan to the Vermont Economic Progress Council that shall  
15 include adjustments and updates of appropriate data and information sufficient  
16 for the Vermont Economic Progress Council to determine, based on tax  
17 increment financing debt actually incurred and the history of increment  
18 generated during the first five years, whether the percentages approved under  
19 this section should be continued or adjusted to a lower percentage to be  
20 retained for the remaining duration of the retention period and still provide  
21 sufficient municipal and education increment to service the remaining debt.

1    § 1910d. INFORMATION REPORTING

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

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

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

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

20       (b) Annually on or before April 1, the Vermont Economic Progress Council  
21    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 on housing infrastructure projects approved  
pursuant to this subchapter, including for each:

(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 expected or actual sale and rental prices of any housing units;

(6) the number of housing units known to be occupied on a basis other  
than as primary residences;

(7) 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;

(8) projected and actual incremental revenue amounts;

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

1       (10) projected and actual financing; and

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

4       (c) On or before January 15, 2030, the Vermont Economic Progress  
5       Council shall submit a report to the Senate Committees on Economic  
6       Development, Housing and General Affairs and on Finance and the House  
7       Committees on Commerce and Economic Development, on General and  
8       Housing, and on Ways and Means evaluating the success of the Community  
9       and Housing Infrastructure Program in achieving its purpose, as stated in  
10       section 1907 of this chapter, including by identifying the amount and kinds of  
11       housing produced through the Program and by determining whether housing  
12       development pursued through the Program meets the project criterion of  
13       section 1910 of this chapter.

14       § 1910e. AUDITING

15       Annually on or before April 1 until the year following the end of the period  
16       for retention of education property tax increment, a municipality with a  
17       housing infrastructure project approved under this subchapter shall ensure that  
18       the special tax increment financing account required by section 1910b of this  
19       subchapter is subject to the annual audit prescribed in section 1681 or 1690 of  
20       this title and submit a copy to the Vermont Economic Progress Council. If an  
21       account is subject only to the audit under section 1681 of this title, the Council

1 shall ensure a process is in place to subject the account to an independent audit.  
2 Procedures for the audit must include verification of the original taxable value  
3 and annual and total municipal and education property tax increments  
4 generated, expenditures for financing and related costs, and current balance.

5 § 1910f. RULEMAKING

6 The Vermont Economic Progress Council may adopt rules that are  
7 reasonably necessary to implement this subchapter. The Council shall  
8 specifically adopt rules to:

9 (1) govern the prioritization of applications submitted for approval of  
10 tax increment financing under this subchapter that take into consideration the  
11 purpose of section 1907 of this subchapter, vacancy or dilapidation, regional  
12 equity and verifiable housing shortages, and labor sheds;

13 (2) determine the appropriate floor area measure for purposes of the  
14 project criterion under subsection 1910(e) of this subchapter; and

15 (3) supplement the but-for test under subsection 1910(c) of this  
16 subchapter giving due consideration to any rulemaking undertaken to  
17 supplement the but-for test under 32 V.S.A. § 5404a(h)(1)(A).

18 § 1910g. GUIDANCE

19 (a) The Secretary of Commerce and Community Development, after  
20 reasonable notice to a municipality and an opportunity for a hearing, may issue  
21 decisions to a municipality on questions and inquiries concerning the

1 administration of housing infrastructure projects, statutes, rules,  
2 noncompliance with this subchapter, and any instances of noncompliance  
3 identified in audit reports conducted pursuant to section 1910e of this  
4 subchapter.

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

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

1    Sec. 26. 32 V.S.A. § 3325 is amended to read:

2    § 3325. VERMONT ECONOMIC PROGRESS COUNCIL

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

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

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

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

12       (b) Membership.

13           (1) The Council shall have 11 voting members:

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

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



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

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

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

9 (3) Exclusively for purposes of reviewing and approving housing  
10 infrastructure project applications under the Community and Housing  
11 Infrastructure Program, the Council shall additionally have:

12 (A) two voting members as follows:

13 (i) the Executive Director of the Vermont Housing Finance  
14 Agency or designee; and

15 (ii) the Executive Director of the Vermont Housing and  
16 Conservation Board or designee; and

17 (B) as a nonvoting member, the Commissioner of Housing and  
18 Community Development or designee.

19 \* \* \*

20 (g) Decisions not subject to review. A decision of the Council to approve  
21 or deny an application under subchapter 2 of this chapter, ~~or~~ to approve or

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

6 Sec. 27. 32 V.S.A. § 5404a(f) is amended to read:

7 (f) A municipality that establishes a tax increment financing district under  
8 24 V.S.A. chapter 53, subchapter 5 shall collect all property taxes on properties  
9 contained within the district and apply not more than 70 percent of the State  
10 education property tax increment, and not less than 85 percent of the municipal  
11 property tax increment, to repayment of financing of the improvements and  
12 related costs for up to 20 years pursuant to 24 V.S.A. § 1894, if approved by  
13 the Vermont Economic Progress Council pursuant to this section, subject to the  
14 following:

15 (1) In a municipality with one or more approved districts, the Council  
16 shall not approve an additional district until the municipality retires the debt  
17 incurred for all of the districts in the municipality.

18 (2) The Council shall not approve more than six districts in the State,  
19 and not more than two per county, provided:

20 (A) The districts listed in 24 V.S.A. § 1892(d) shall not be counted  
21 against the limits imposed in this subdivision (2).

1           (B) The Council shall consider complete applications in the order  
2 they are submitted, except that if during any calendar month the Council  
3 receives applications for more districts than are actually available in a county,  
4 the Council shall evaluate each application and shall approve the application  
5 that, in the Council's discretion, best meets the economic development needs  
6 of the county.

7           (3)(A) A municipality shall immediately notify the Council if it resolves  
8 not to incur debt for an approved district within five years of approval or a  
9 five-year extension period as required in 24 V.S.A. § 1894.

10           (B) Upon receiving notification pursuant to subdivision (A) of this  
11 subdivision (3), the Council shall terminate the district and may approve a new  
12 district, subject to the provisions of this section and 24 V.S.A. chapter 53,  
13 subchapter 5.

14           (4) The Council shall only approve under this section applications for  
15 tax increment financing submitted prior to December 31, 2031.

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

17       Sec. 28. 9 V.S.A. chapter 77 is amended to read:

18           CHAPTER 77. SMOKE ~~DETECTORS~~ ALARMS AND CARBON  
19                                 MONOXIDE ~~DETECTORS~~ ALARMS

20       § 2881. DEFINITIONS

21       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.

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

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

18 § 2883. REQUIREMENTS FOR TRANSFER OF DWELLING

19 (a) The seller of a single-family dwelling, including one constructed for  
20 first occupancy, whether the transfer is by sale or exchange, shall certify to the  
21 buyer at the closing of the transaction that the dwelling is provided with

1 ~~photoelectric-only type~~ photoelectric-type or UL 217 compliant smoke  
2 ~~detectors~~ alarms and carbon monoxide ~~detectors~~ alarms in accordance with this  
3 chapter. This certification shall be signed and dated by the seller.

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

10 \* \* \*

11 Sec. 29. 20 V.S.A. § 2731 is amended to read:

12 § 2731. RULES; INSPECTIONS; VARIANCES

13 \* \* \*

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

20 \* \* \*

21 \* \* \* VHFA Off-Site Construction \* \* \*

1   Sec. 30. VHFA OFF-SITE CONSTRUCTION REPORT

2       Provided there are sufficient resources, the Vermont Housing Finance  
3   Agency shall issue a report by December 15, 2026 that, at a minimum:

4       (1) identifies and recommends a set of State policy objectives and  
5   priorities related to off-site housing construction;

6       (2) defines the structure and relevant actors for using bulk purchases of  
7   single- and multi-family homes produced through off-site construction to  
8   achieve lower construction costs;

9       (3) gathers input from potential manufacturers about how to best  
10   achieve cost savings through a bulk purchase program;

11       (4) determines any business planning support needed for existing  
12   Vermont businesses seeking to develop or expand off-site construction;

13       (5) explores creating a working group of neighboring states that  
14   considers a regional market and shared approach; and

15       (6) prepares an analysis of the funding and structure needed to support  
16   greater development of off-site homes.

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

18   Sec. 31. EFFECTIVE DATES

19       This act shall take effect on July 1, 2025, except that Sec. 4 (Rental Housing  
20   Revolving Loan Program), Sec. 5 (Residential Universal Design Study  
21   Committee), Sec. 8 (repeal; Act 181 prospective landlord certificate changes),

- 1 and this section shall take effect on passage.