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S.325

An act relating to regional planning and Act 250 Tier jurisdiction

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

* * * Act 181 Repeals * * *

Sec. 1. 2024 Acts and Resolves No. 181, Sec. 19 (road jurisdiction) is amended to read:

Sec. 19. [Deleted.]

Sec. 2. 2024 Acts and Resolves No. 181, Sec. 21 (Tiers 2 and 3) is amended to read:

Sec. 21. [Deleted.]

Sec. 3. 2024 Acts and Resolves No. 181, Sec. 114 is amended to read:

Sec. 114. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Secs. 12 (10 V.S.A. § 6001); and 13 (10 V.S.A. § 6086(a)(8)), and 21 (10 V.S.A. § 6001) shall take effect on ~~December 31, 2026~~ January 1, 2028;

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

* * *

Sec. 4. REPEAL

2024 Acts and Resolves No. 181, Sec. 22 (Tier 3 rulemaking) is repealed.

1 Sec. 5. REPEAL

2 2024 Acts and Resolves No, 181, Sec. 34 (Tier 2 area report) is repealed.

3 * * * Act 250 * * *

4 Sec. 6. 10 V.S.A. § 6081 is amended to read:

5 § 6081. PERMITS REQUIRED; EXEMPTIONS

6 * * *

7 (t) No permit or permit amendment is required for the construction of
8 improvements for an accessory on-farm business for the storage or sale of
9 qualifying products or the other eligible enumerated products as defined in 24
10 V.S.A. § 4412(11)(A)(i)(I). No permit or permit amendment is required for
11 the construction of improvements for an accessory on-farm business for the
12 preparation or processing of qualifying products as defined in 24 V.S.A.
13 § 4412(11)(A)(i)(I), provided that more than 50 percent of the total annual
14 sales of the prepared or processed qualifying products come from products
15 produced on the farm where the business is located. ~~This subsection shall not~~
16 ~~apply to~~ No permit or permit amendment is required for the construction of
17 improvements related to hosting events or farm stays as part of for an
18 accessory on-farm business for educational, recreational, or social events that
19 feature agricultural practices or qualifying products, or both, as defined in 24
20 V.S.A. § 4412(11)(A)(i)(II).

21 * * *

1 (dd) Interim housing exemptions.

2 (1) Notwithstanding any other provision of law to the contrary, until
3 January 1, ~~2027~~ 2028, no permit or permit amendment is required for the
4 construction of housing projects such as cooperatives, condominiums,
5 dwellings, or mobile homes, with 75 units or fewer, constructed or maintained
6 on a tract or tracts of land, located entirely within the areas of a designated new
7 town center, a designated growth center, or a designated neighborhood
8 development area served by public sewer or water services or soils that are
9 adequate for wastewater disposal. Housing units constructed pursuant to this
10 subdivision shall not count towards the total units constructed in other areas.
11 This exemption shall not apply to areas within mapped river corridors and
12 floodplains except those areas containing preexisting development in areas
13 suitable for infill development as defined in 29-201 of the Vermont Flood
14 Hazard Area and River Corridor Rule.

15 (2)(A) Notwithstanding any other provision of law to the contrary, until
16 ~~July~~ January 1, ~~2027~~ 2028, no permit or permit amendment is required for the
17 construction of housing projects such as cooperatives, condominiums,
18 dwellings, or mobile homes, with 50 or fewer units, ~~constructed or maintained~~
19 ~~on a tract or tracts of land of.~~ To qualify, the housing project, including any
20 land incidental to the use of the housing project such as lawns, parking lots,

1 driveways, leach fields, and accessory buildings, shall be on 10 contiguous
2 acres or less, located entirely within:

3 (i) areas of a designated village center and within one-quarter mile
4 of its boundary with permanent zoning and subdivision bylaws and served by
5 public sewer or water services or soils that are adequate for wastewater
6 disposal; or

7 (ii) areas of a municipality that are within a census-designated
8 urbanized area with over 50,000 residents and within one-quarter mile of a
9 transit route.

10 * * *

11 (3) Notwithstanding any other provision of law to the contrary, until
12 January 1, ~~2027~~ 2028, no permit or permit amendment is required for the
13 construction of housing projects such as cooperatives, condominiums,
14 dwellings, or mobile homes, constructed or maintained on a tract or tracts of
15 land, located entirely within a designated downtown development district with
16 permanent zoning and subdivision bylaws served by public sewer or water
17 services or soils that are adequate for wastewater disposal. Housing units
18 constructed pursuant to this subdivision shall not count towards the total units
19 constructed in other areas. This exemption shall not apply to areas within
20 mapped river corridors and floodplains except those areas containing

1 preexisting development in areas suitable for infill development as defined in
2 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

3 Sec. 7. 24 V.S.A. § 4460 is amended to read:

4 § 4460. APPROPRIATE MUNICIPAL PANELS

5 * * *

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

7 (A) was previously permitted pursuant to 10 V.S.A. chapter 151;

8 (B) is located in a Tier 1A area pursuant to 10 V.S.A. § 6034; and

9 (C) has applied for a permit or permit amendment required by zoning
10 regulations or bylaws adopted pursuant to this subchapter.

11 (2) The appropriate municipal panel reviewing a municipal permit or
12 permit amendment pursuant to this subsection shall include conditions
13 contained within a permit previously issued pursuant to 10 V.S.A. chapter 151,
14 so that the conditions may be enforced as part of the municipal permit, unless
15 the panel determines that the permit condition pertains to any of the following:

16 (A) the construction phase of the project that has already been
17 constructed;

18 (B) compliance with another State permit that has independent
19 jurisdiction;

1 (C) federal or State law that is no longer in effect or applicable;

2 (D) an issue that is addressed by municipal regulation and the project
3 will meet the municipal standards; or

4 (E) a physical or use condition that is no longer in effect or
5 applicable or that will no longer be in effect or applicable once the new project
6 is approved.

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

10 (4) The appropriate municipal panel shall comply with the notice and
11 hearing requirements provided in subdivision 4464(a)(1) of this title. In
12 addition, notice shall be provided to those persons requiring notice under
13 10 V.S.A. § 6084(b) and shall explicitly reference the existing Act 250 permit.

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

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

1 (2) utilize neutral facilitation for statewide, democratic public
2 engagement;

3 (3) ensure alignment with the core principles for community
4 engagement plans developed pursuant to 3 V.S.A. § 6006; and

5 (4) design the plan to inclusively and meaningfully engage a full range
6 of stakeholders, including Vermont residents and landowners and historically
7 marginalized communities.

8 (b) The purpose of the public engagement plan would be to gather
9 statewide input from Vermonters to inform the General Assembly on:

10 (1) the risks of losing working lands, both agricultural and forestland,
11 and critical natural resources not already well protected by current land use
12 policy, permitting programs, or other regulatory tools, including agricultural
13 soils, rare natural communities, forest blocks, habitat connectors of statewide
14 significance, and headwaters; and

15 (2) equitable, efficient, and effective regulatory or nonregulatory tools to
16 protect these working lands and critical natural resources.

17 (c) On or before January 15, 2027, the Council shall submit the report with
18 the recommended public engagement plan to the House Committee on
19 Environment and the Senate Committee on Natural Resources and Energy.

1 (d) Meetings. When the General Assembly is in session, the Committee
2 shall meet at the call of the Chair. The Committee may meet six times per year
3 during adjournment and may meet more often subject to approval of the
4 Speaker of the House and the President Pro Tempore of the Senate.

5 (e) Compensation. For attendance at a meeting when the General
6 Assembly is not in session, members of the Committee shall be entitled to
7 compensation for services and reimbursement of expenses as provided under
8 subsection 23(a) of this title.

9 (f) Assistance. The administrative and legal services of the Joint Fiscal
10 Office and the Office of Legislative Counsel shall be available to the
11 Committee.

12 (g) Duties. The Committee shall meet with the Land Use Review Board to
13 ensure strong communication and coordination regarding the implementation
14 of the statutes amended as part of 2024 Acts and Resolves No. 181, how the
15 permitting process under 10 V.S.A. chapter 151 is working, and how the new
16 Board structure is working. The Committee shall also meet with the Agency
17 of Natural Resources to learn about Agency efforts to improve and better
18 coordinate its permitting processes and to coordinate efforts for further
19 improvements to the process for applicants and outcomes for Vermonters.

20 (h) Sunset. The Committee shall cease to exist on July 1, 2029.

1 Sec. 11. LAND USE REVIEW BOARD REPORTS

2 (a) The Land Use Review Board shall deliver reports that collect the data
3 and analyze:

4 (1) whether and how Act 250 jurisdiction over commercial activities on
5 farms should be revised, including accessory on-farm businesses on or before
6 November 15, 2026;

7 (2) the effects of Act 250 mitigation actions on primary agricultural soils
8 on or before July 1, 2027; and

9 (3) the effects of jurisdictional triggers and criterion 9(L) on the
10 development of retail and service businesses outside village centers in
11 addressing sprawl and strip development, and how to improve the effectiveness
12 of criterion 9(L) on or before November 15, 2027.

13 (b) The Board shall engage relevant stakeholders as part of the
14 development of this report.

15 (c) The report shall be submitted to the House Committees on Agriculture,
16 Food Resiliency, and Forestry and on Environment and the Senate Committees
17 on Agriculture and on Natural Resources and Energy.

18 * * * Regional Planning * * *

19 Sec. 12. 24 V.S.A. § 4348 is amended to read:

20 § 4348. ADOPTION AND AMENDMENT OF REGIONAL PLAN

21 * * *

1 (b) ~~60~~ Sixty days prior to holding the first public hearing on a regional plan
2 adoption, a regional planning commission shall submit a draft regional plan to
3 the Land Use Review Board for review and comments related to conformance
4 of the draft with sections 4302 and 4348a of this title and chapter 139 of this
5 title and, if it is seeking an optional determination of energy compliance, to the
6 Department of Public Service for review and comments related to conformance
7 of the draft plan with section 4352 of this title. The Board shall coordinate
8 with other State agencies and the Community Investment Board and respond
9 within 60 days unless more time is granted by the regional planning
10 commission.

11 (c) The regional planning commission shall hold two or more public
12 hearings within the region after public notice on any proposed plan ~~or~~
13 ~~amendment~~. The minimum number of required public hearings may be
14 specified within the bylaws of the regional planning commission.

15 (d)(1) At least 30 days prior to the first hearing, a copy of the proposed
16 plan ~~or amendment~~, a report documenting conformance with the goals
17 established in section 4302 of this chapter and the plan elements established in
18 section 4348a of this chapter, and a description of any changes to the Regional
19 Future Land Use Map with a request for general comments and for specific
20 comments with respect to the extent to which the plan ~~or amendment~~ is
21 consistent with the goals established in section 4302 of this title, shall be

1 delivered physically or electronically with proof of receipt or sent by certified
2 mail, return receipt requested, to each of the following:

3 * * *

4 (2) At least 30 days prior to the first hearing, the regional planning
5 commission shall provide each of its member municipalities with a written
6 description of map changes within the municipality, a municipality-wide map
7 showing old versus new areas with labels, and information about the new Tier
8 structure under 10 V.S.A. chapter 151, including how to obtain Tier 1A or 1B
9 status, and the process for updating designated area boundaries. The regional
10 planning commission shall, if it is seeking an optional determination of energy
11 compliance, solicit feedback on its enhanced energy plan, including
12 consistency with section 4352 of this chapter and the enhanced energy
13 planning standards.

14 (e) Any of the foregoing bodies, or their representatives, may submit
15 comments on the proposed regional plan ~~or amendment~~ to the regional
16 planning commission, and may appear and be heard in any proceeding with
17 respect to the adoption of the proposed plan ~~or amendment~~.

18 (f) The regional planning commission may make revisions to the proposed
19 plan ~~or amendment~~ at any time not less than 30 days prior to the final public
20 hearing held under this section. If the proposal is changed, a copy of the
21 proposed change shall be delivered physically; electronically with proof of

1 receipt; or by certified mail, return receipt requested, to the chair of the
2 legislative body of each municipality within the region and to any individual or
3 organization requesting a copy at least 30 days prior to the final hearing.

4 * * *

5 (h)(1) Within 15 days following adoption, a regional planning commission
6 shall submit its regionally adopted regional plan to the Land Use Review
7 Board for a determination of regional plan compliance with a report
8 documenting conformance with the goals established in section 4302 of this
9 chapter and the plan elements established in section 4348a of this chapter and a
10 description of any changes to the regional plan future land use map. The
11 regional planning commission shall also at this time, if it is seeking an optional
12 determination of energy compliance pursuant to section 4352 of this chapter,
13 submit the plan to the Department of Public Service for review with a
14 description of conformance with the enhanced energy planning standards and
15 with a summary of any comments received during the public hearings.

16 * * *

17 (j) Minor amendments to regional plan future land use map. A regional
18 planning commission may submit a request for a minor amendment to
19 boundaries of a future land use area for consideration by the Land Use Review
20 Board with a letter of support from the municipality. The request may only be
21 submitted after an affirmative vote of the municipal legislative body and the

1 regional planning commission board. The Land Use Review Board, after
2 consultation with the Community Investment Board and the regional planning
3 commissions, shall provide guidance about what constitutes a minor
4 amendment. Minor amendments may include any change to a future land use
5 area consisting of fewer than 10 acres. A minor amendment to a future land
6 use area shall not require an amendment to a regional plan and shall be
7 included in the next iteration of the regional plan. The Land Use Review
8 Board may adopt rules to implement this section.

9 * * *

10 (n) Regional plan amendments, nonminor future land use map
11 amendments, and Tier 1B area status requests. Regional plans may be
12 reviewed from time to time and may be amended in the light of new
13 developments and changed conditions affecting the region. Nonminor future
14 land use map amendments shall be processed as part of a regional plan
15 amendment. Tier 1B area status requests may be made separate from the
16 regional plan approval or amendment process.

17 (1) Process.

18 (A) To amend a regional plan, which may include a nonminor future
19 land use map amendment, a regional planning commission shall hold one
20 public hearing. At least 15 days in advance of the hearing, the regional
21 planning commission shall provide notice of the public hearing to the parties

1 listed in subdivision (d)(1) of this section and the Land Use Review Board.

2 The public hearing notice shall include a description of changes to the plan,
3 including nonminor amendments to future land use maps, or any changes to
4 Tier 1B area status.

5 (B) After adoption of the regional plan amendment, the regional
6 planning commission shall submit a request to the Land Use Review Board for
7 an affirmative determination of regional plan compliance for the regional plan
8 amendment.

9 (C) Stand-alone requests for Tier 1B area status shall be submitted to
10 the Land Use Review Board after the public hearing required under
11 subdivision (A) of this subdivision (1).

12 (D) The Land Use Review Board shall hold a public hearing within
13 30 days after receiving the request for an affirmative determination of regional
14 plan amendment compliance or approval of Tier 1B area status. The Land Use
15 Review Board shall issue its determination within 30 days after the hearing.

16 (2) Expiration date. Adoption of a regional plan amendment, nonminor
17 future land use map amendment, or Tier 1B area status request or amendment
18 shall not change the expiration date of the regional plan.

19 * * *

20 Sec. 13. 24 V.S.A. § 4348a is amended to read:

21 § 4348a. ELEMENTS OF A REGIONAL PLAN

1 (a) A regional plan shall be consistent with the goals established in section
2 4302 of this title and shall include the following:

3 * * *

4 (12) A future land use element, based upon the elements in this section,
5 that sets forth the present and prospective location, amount, intensity, and
6 character of such land uses in relation to the provision of necessary community
7 facilities and services and that consists of a map delineating future land use
8 area boundaries for the land uses in subdivisions (A)–(J) of this subdivision
9 (12) as appropriate and any other special land use category the regional
10 planning commission deems necessary; descriptions of intended future land
11 uses, consistent with the smart growth principles in section 4303 of this
12 chapter; and policies intended to support the implementation of the future land
13 use element using the following land use categories:

14 (A) Downtown or village centers. These areas are the mixed-use
15 centers bringing together community economic activity and civic assets. They
16 include downtowns, villages, and new town centers previously designated
17 under chapter 76A and downtowns and village centers seeking benefits under
18 the Community Investment Program under section ~~5804~~ 5803 of this title. The
19 downtown or village centers are the traditional ~~and~~ or historic central business
20 and civic centers within planned growth areas, village areas, or may stand
21 alone. Municipalities may have more than one center, including planned new

1 or emerging centers that anchor planned growth or village areas. Village
2 centers are not required to have public water, wastewater, zoning, or
3 subdivision bylaws.

4 (B) Planned growth areas. These areas include the high-density
5 existing settlement and future growth areas with high concentrations of
6 population, housing, and employment in each region and town, as appropriate.
7 They include a mix of historic and nonhistoric commercial, residential, and
8 civic or cultural sites with active streetscapes, supported by land development
9 regulations; public water or wastewater, or both; and multimodal transportation
10 systems. These areas include ~~new town centers, downtowns, village centers,~~
11 ~~growth centers,~~ and neighborhood development areas previously designated
12 under chapter 76A of this title. These areas should generally meet ~~the smart~~
13 ~~growth principles definition in chapter 139 of this title and~~ the following
14 criteria:

15 * * *

16 (iii) The area is generally within walking distance from the
17 municipality's or an adjacent municipality's downtown, or village center, ~~new~~
18 ~~town center, or growth center.~~

19 * * *

20 (vi) The area provides ~~for~~ opportunity for development, infill
21 development, and redevelopment that is needed to meet the regional and

1 municipal housing targets that ~~meets~~ meet the present and future needs of a
2 diversity of social and income groups in the community.

3 (vii) The area is served by planned or existing transportation
4 infrastructure that conforms with “complete streets” principles as described
5 under 19 V.S.A. chapter 24 and establishes pedestrian access directly to the
6 downtown, or village center, ~~or new town center~~. Planned transportation
7 infrastructure includes those investments included in the municipality’s capital
8 improvement program pursuant to section 4430 of this title.

9 (C) Village areas. These areas include the traditional settlement area
10 or a proposed new settlement area, typically composed of a cohesive mix of
11 residential, civic, religious, commercial, ~~and~~ or mixed-use buildings, arranged
12 along a main street and intersecting streets that are within walking distance for
13 residents who live within and surrounding the ~~core~~ downtown center or village
14 center. ~~These areas include existing village center designations and similar~~
15 ~~areas statewide, but this area is larger than the village center designation.~~

16 Village areas shall meet the following criteria:

17 * * *

18 (iv) The municipality has either ~~municipal~~ public water or
19 wastewater. If no public wastewater is available, the area must have soils that
20 are adequate for wastewater disposal.

1 lacks an existing or planned pedestrian connection to the center via a complete
2 street.

3 * * *

4 Sec. 14. 24 V.S.A. § 4303 is amended to read:

5 § 4303. DEFINITIONS

6 ~~The following definitions shall apply throughout~~ As used in this chapter
7 ~~unless the context otherwise requires:~~

8 * * *

9 (43) “Smart growth principles” means growth that:

10 (A) maintains the historic development pattern of compact village
11 and urban centers separated by rural countryside;

12 (B) develops compact mixed-use centers at a scale appropriate for the
13 community and the region;

14 (C) enables choice in modes of transportation;

15 (D) protects the State’s important environmental, natural, and historic
16 features, including natural areas, water quality, scenic resources, and historic
17 sites and districts;

18 (E) serves to strengthen agricultural and forest industries, including
19 homesteading, small-scale agriculture and forestry, and supporting housing,
20 while minimizing conflicts of development with these industries;

1 (F) balances growth with the availability of economic and efficient
2 public utilities and services;

3 (G) supports a diversity of viable businesses in downtowns and
4 villages;

5 (H) provides for housing that meets the needs of a diversity of social
6 and income groups in each community; and

7 (I) reflects a settlement pattern that, at full build-out, is not
8 characterized by:

9 (i) scattered development located outside compact urban and
10 village centers that is excessively land consumptive;

11 (ii) development that limits transportation options, especially for
12 pedestrians;

13 (iii) the fragmentation of farmland and forestland;

14 (iv) development that is not serviced by municipal infrastructure
15 or that requires the extension of municipal infrastructure across undeveloped
16 lands in a manner that would extend service to lands located outside compact
17 village and urban centers; and

18 (v) linear development along well-traveled roads and highways
19 that lacks depth, as measured from the highway.

1 Sec. 15. REGIONAL AND MUNICIPAL PLAN EXTENSIONS

2 Any regional or municipal plan due to expire in 2026 or 2027 shall have its
3 expiration date extended until December 31, 2027.

4 Sec. 16. REPEAL

5 24 V.S.A. § 4476 (formal review of regional planning commission
6 decisions) is repealed.

7 * * * State Community Investment Program * * *

8 Sec. 17. 24 V.S.A. § 5801 is amended to read:

9 § 5801. DEFINITIONS

10 As used in this chapter:

11 * * *

12 (8) “Planned growth area” means an area on the regional plan future
13 land use maps ~~required under section 4348a of this title, which may encompass~~
14 ~~a downtown center or village center on the regional future land use map and~~
15 ~~may be designated as a center or neighborhood, or both meeting the~~
16 requirements of subdivision 4348a(a)(12)(B) of this title and that may be
17 designated as a neighborhood.

18 * * *

19 (10) “Sprawl repair” means the redevelopment of lands with buildings,
20 traffic and circulation, parking, or other land coverage in a pattern that is
21 consistent with smart growth principles as defined in section 4303 of this title.

1

* * *

2

(12) “~~State Designated Downtown and~~ Center or Village Center” or

3

“designated center” means a ~~contiguous~~ downtown or village ~~a portion of~~

4

~~which is listed or eligible for listing in the national register of historic places~~

5

~~area~~ center approved as part of the LURB review of regional plan future land

6

use maps, ~~which may include an approved preexisting designated designated~~

7

~~downtown, village center, or designated new town center established prior to~~

8

~~the approval of the regional plan future land use maps.~~

9

(13) “~~State designated~~ Designated neighborhood” or “neighborhood”

10

means a ~~contiguous geographic~~ village area or planned growth area approved

11

as part of the ~~Land Use Review Board~~ LURB review of regional plan future

12

land use maps that is ~~compact and adjacent and~~ contiguous to a center.

13

* * *

14

(15) “Village area” means an area on the regional plan future land use

15

maps ~~adopted pursuant to section 4348a of this title, which may encompass a~~

16

~~village center on the regional future land use map~~ meeting the requirements of

17

subdivision 4348a(a)(12)(C) of this title and that may be designated as a

18

neighborhood.

1 Sec. 18. 24 V.S.A. § 5803 is amended to read:

2 § 5803. DESIGNATION OF DOWNTOWN AND VILLAGE CENTERS

3 (a) Designation established. A regional planning commission may apply to
4 the LURB for approval and designation of all downtown and village centers by
5 submitting the regional plan future land use map adopted by the regional
6 planning commission. ~~The regional plan future land use map shall identify~~
7 ~~downtown centers and village centers as the downtown and village areas~~
8 ~~eligible for designation as centers.~~ The Department and State Board shall
9 provide comments to the LURB and the regional planning commission on
10 areas eligible for center designation as provided ~~under~~ in section 4348 of this
11 ~~chapter~~ title.

12 * * *

13 (c) ~~Exclusions. With the exception for preexisting, nonconforming~~
14 ~~designations approved prior to the establishment of the program under this~~
15 ~~chapter or areas included in the municipal plan for the purposes of relocating a~~
16 ~~municipality's center for flood resiliency purposes, the areas eligible for~~
17 ~~designation benefits upon the LURB's approval of the regional plan future land~~
18 ~~use map for designation as a Center shall not include development that is~~
19 ~~disconnected from a Center and that lacks a pedestrian connection to the~~
20 ~~Center via a complete street.~~ [Repealed.]

21 * * *

1 Sec. 19. 32 V.S.A. § 5930bb is amended to read:

2 § 5930bb. ELIGIBILITY AND ADMINISTRATION

3 * * *

4 (c) Application shall be made in accordance with the guidelines set by the
5 State Board. The guidelines shall clearly indicate that only applications
6 located in Step 2 and Step 3 State-designated centers or Step 1 centers where a
7 portion of the designated center is listed or eligible for listing in the national
8 register of historic places shall be considered.

9 * * *

10 Sec. 20. 24 V.S.A. § 5808 is added to read:

11 § 5808. ANNUAL REPORT

12 On or before January 15 of each year, the Vermont Community Investment
13 Board shall submit a written report to the House Committees on Environment
14 and on General and Housing and the Senate Committees on Natural Resources
15 and Energy and on Economic Development, Housing and General Affairs.

16 The report shall include, at a minimum:

17 (1) a summary of the Community Investment Program's activities
18 during the preceding fiscal year, including designations, Steps, or other actions
19 taken by the Board that confer eligibility for or priority access to State funding,
20 tax credits, and other Program benefits;

1 (2) an analysis of the types of municipalities benefiting from the

2 Program by:

3 (A) county;

4 (B) population size;

5 (C) future land use category or categories;

6 (D) State designation status; and

7 (E) whether the municipality contains areas eligible for Act 250

8 exemption through 2024 Acts and Resolves No. 181; and

9 (3) any legislative, regulatory, or programmatic changes recommended
10 by the Board to improve the effectiveness, accessibility, and geographic equity
11 of the Community Investment Program.

12 Sec. 21. MUNICIPAL APPEALS AND DISCRETIONARY REVIEW OF
13 HOUSING; REPORT

14 (a) On or before January 15, 2027, the Department of Housing and
15 Community Development, after consultation with the Vermont League of
16 Cities and Towns, Let's Build Homes, the Vermont Natural Resources
17 Council, the Vermont Planners Association, the Land Access and Opportunity
18 Board, the Vermont Association of Planning and Development Agencies, the
19 Vermont Bar Association, the Vermont Realtors Association, Vermonters for a
20 Clean Environment, and the Secretary of Natural Resources or designee shall
21 report on the following:

- 1 (1) mechanisms for limiting appeals of municipal permits while
2 allowing municipalities to address legitimate concerns with projects, including:
3 (A) the most commonly raised issues on appeal; and
4 (B) an evaluation of statutory or procedural tools to limit duplicative
5 or frivolous appeals and recommend legislative action needed, if any;
6 (2) impacts of discretionary review on residential development,
7 (3) the potential value of the federal Right to Build Zone legislation and
8 steps the State can take to maximize that value;
9 (4) assistance the State can offer municipalities seeking to limit
10 discretionary review, including incentives, planning, and whether the State
11 should develop objective standards, including model codes;
12 (5) data on housing that has been built in the areas exempt from Act 250
13 jurisdiction under the 10 V.S.A. § 6081(dd) including how many units, the
14 price, and where; and
15 (6) a status update on the 802 Homes pilot program.
16 (b) The report shall be submitted to the House Committees on Environment
17 and on General and Housing and the Senate Committees on Economic
18 Development, Housing and General Affairs and on Natural Resources and
19 Energy.

1 § 6007. ENVIRONMENTAL JUSTICE MAPPING TOOL

2 * * *

3 (c) On or before January 1, ~~2027~~ 2028, the mapping tool shall be available
4 for use by the public as well as by the State government.

5 * * * Effective Date * * *

6 Sec. 23. EFFECTIVE DATE

7 This act shall take effect on July 1, 2026.