

Senate Committee on Economic Development, Housing, and General Affairs

S. 328 - An act relating to housing and common interest communities

Section by section walk through and committee discussion

Municipal Housing Targets & Planning

- **Summary:** Requires municipalities to include an analysis of regulatory and physical constraints in their plans to meet regional housing targets.
- Small towns may lack the technical capacity or labor to perform these complex analyses.
 - Concern that small towns might abolish their plans entirely to avoid these new mandates.
- The committee balanced this consideration with the need for more comprehensive housing targets in municipal plans.
- More input needed for the final decision.

Down Payment Assistance Tax Credits

- **Summary:** A proposal to extend the VHFA down-payment assistance tax credit for five years and potentially increase the annual allocation by \$100,000.
- Broad support from the committee.
- A \$100,000 increase will help it continue to make a meaningful impact.
- The only point of the discussion was on being aware of how much they are allocating this year and wanting to review all allocations.

Vermont Housing Special Fund & Credit Facilities

- **Summary:** Authorizes the State Treasurer to increase the economic development credit facility from 10% to 12.5% of the state's cash balance. It also creates a "Special Fund"

using interest from these additional loans to finance a pilot for bulk purchasing of off-site constructed housing.

- High skepticism regarding the state acting as a "speculative" purchaser of manufactured units, concerned the state could be left holding defaulted assets.

Common Interest Communities (HOAs)

- **Summary:** Proposes to void HOA restrictions that prohibit long-term leasing, family childcare homes, or the construction of Accessory Dwelling Units (ADUs).
- Concerns were raised about secondary mortgage market eligibility.
 - If HOA "occupancy-only" restrictions are voided, Fannie Mae or Freddie Mac might refuse to purchase the mortgages.
- Further discussion needed.

Municipal Zoning and Duplexes

- **Summary:** Changing multi-unit developments from "allow" use to "permitted" use. Creates strong rights for property owners and a more difficult process to appeal or block these developments.
- Overall committee support for this section.

Transit Corridors

- **Summary:** Allows for multi-unit housing within a quarter mile of any road served by water and sewer.
- More contention and some pushback for this section.
- Technical revisions and follow-up needed. Align with Land Use Review Board standards being discussed in Senate Natural Resources.

S. 327 - An act relating to economic development

Section by section walk through and committee discussion

Downtown and Village Center Tax Credits

- Strong support of program, but some scrutiny on the specific increase from \$3M to \$5M.
- Wants to see all the funding requests they are making in aggregate before final decisions.

Small Business & Workforce Support Appropriations

- **Summary:** Proposes increases over the Governor's recommended budget for several business supports. including \$300,000 for the Vermont Small Business Law Center,

\$689,000 for the Small Business Development Center (a \$300,000 increase to serve 200 more owners), and \$200,000 for the Vermont Professionals of Color Network.

- Most of these programs have active waitlists and cannot meet current demand for legal or technical services without additional state investment.
- Overall strong committee support for these appropriations.
- Common Good Vermont - \$295,000 allocation
 - Concern from committee over this allocation and adding a layer to non-profit bureaucracy.
 - **Suggestion from chair that Common Good Vermont make their case for funding in house commerce.**

Brownfield Remediation

- **Summary:** Proposes \$3,000,000 for the remediation and redevelopment of polluted lands.
- The Governor's budget "zeroed out" the brownfield program this year, which the Chair noted would effectively stall housing and development in downtown and village centers.
- Strong support from the committee.

Outdoor Recreation Economic Impact Study

- **Summary:** A \$200,000 request for VORAC to conduct a comprehensive economic impact study of the outdoor recreation sector.
- Vermont's current data is based on federal estimates that do not capture the effect of local spending or the risks posed by climate change and private landowner withdrawal.
 - Committee requested the study to also consider growth potential and landowner incentives.
- Strong support of study – some questions why the study can't be supported by existing department funds.

Culinary Education Task Force

- **Summary:** Directs the Office of Workforce Strategy and Development to convene a study on the feasibility of a new culinary and hospitality training pipeline following the closure of the New England Culinary Institute.
- No educational path in Vermont for CTE graduates to gain culinary certifications.
- Broad support and note from committee – deep need for workforce pipeline.

International Trade

- Support of \$150k for Montreal office.

- Some uncertainty about hiring a full time representative for Taiwan. Talk of hiring contract representatives as needed.

VEGI

- Supporting the repeal of the sunset of VEGI.
- Committee will not be supporting enhanced VEGI incentives for employee owned businesses, as this would require up-front capital, not a post performance incentive.

Convention Center Task Force

- Extending work through the end of this year.
 - Moved to add a representative from UVM.
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S. 230 - An act relating to flexible working arrangements

Committee discussion and H.385 language review

Teacher Eligibility for Unpaid Leave

- **Summary:** This section aligns teacher eligibility for the Vermont Parental and Family Leave Act (PFLA) with the federal Family and Medical Leave Act (FMLA). It grants full-time teachers a "presumption of eligibility," acknowledging that their work schedules may make it difficult to prove they have met the required 1,250 hours of work.
- Questioned why teachers should be treated differently than other seasonal or periodic workers.
 - Currently, only airline flight crews and teachers have these special federal definitions due to their unique "off-the-clock" labor.

Self-Attestation for Survivors of Domestic Violence

- **Summary:** This provision allows survivors of domestic violence, sexual assault, or stalking to use self-attestation to qualify for crime victim leave rather than requiring formal documentation like a police report or court order.
- Concerns were raised that self-attestation lacks sufficient verification. Chair reminded that we "self-attest" our own expenses regularly.
- Request to redraft the bill with the language requiring self-attestation to be "under pains and penalties of perjury" and vote the bill out shortly thereafter.

