

1 Introduced by

2 Referred to Committee on

3 Date:

4 Subject: <Subject>

5 Statement of purpose of bill as introduced: This bill proposes to <Purpose>

6 An act relating to <Title>

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

8

9 * * * Vermont Rental Housing Improvement Program * * *

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

11 § 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

12 (a) Creation of Program.

13 * * *

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

17 (B) Solely with regards to actions undertaken pursuant to this
18 subdivision, entities carrying out the provisions of this section, including
19 grantees, subgrantees, and contractors of the State, shall be exempt from the
20 provisions of 8 V.S.A. chapter 73 (licensed lenders, mortgage brokers,

1 mortgage loan originators, sales finance companies, and loan solicitation
2 companies).

3 * * *

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

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

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

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

13 * * *

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

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

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

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

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

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

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

12 * * *

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

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

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

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

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

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

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

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

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

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

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

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

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

9 (4) The Department shall forgive 10 percent of the a pro-rated amount
10 of a forgivable loan for each year a landlord participates in the loan program.

11 * * *

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

17 * * * MHIR * * *

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

19 § 700. VERMONT MANUFACTURED HOME IMPROVEMENT AND
20 REPAIR PROGRAM

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

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

10 (1) The Department may award up to \$20,000.00 to owners of
11 manufactured housing communities to complete small-scale capital needs to
12 help infill vacant lots with homes, including disposal of abandoned homes, lot
13 grading and preparation, the siting and upgrading of electrical boxes,
14 enhancing E911 safety issues, transporting homes out of flood zones, and
15 improving individual septic systems. Costs awarded under this subdivision
16 may also cover legal fees and marketing to help make it easier for home-
17 seekers to find vacant lots around the State.

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

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

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

7 * * * Vermont Infrastructure Sustainability Fund * * *

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

9 Subchapter 6: Special Funds

10 * * *

11 § 4686. VERMONT INFRASTRUCTURE SUSTAINABILITY FUND

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

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

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

21 (d) Program parameters.

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

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

6 (A) preliminary engineering and planning;

7 (B) engineering design and bid specifications;

8 (C) construction for municipal water and wastewater systems;

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

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

16 (e) Application Requirements. Eligible project applications shall
17 demonstrate:

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

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

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

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

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

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

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

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

14 (5) the demonstration of financing for project completion or completion
15 of a project component.

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

19 (1) the maximum loan or bond amount;

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

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

1 (4) the maximum interest rate;

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

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

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

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

10 * * * Universal Design Study Committee * * *

11 **Sec. 4. RESIDENTIAL UNIVERSAL DESIGN STANDARDS; STUDY**
12 **COMMITTEE; REPORT**

13 (a) Creation. There is created the Residential Universal Design Study
14 Committee to explore implementation of statewide universal design standards
15 for all residential buildings.

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

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

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

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

2 Association;

3 (4) one member, appointed by the Vermont Chapter of the American

4 Institute of Architects;

5 (5) the Director of Fire Safety of designee;

6 (6) one member of the Vermont Access Board, appointed by the Chair;

7 (7) one member, appointed by the Vermont Housing Finance Agency;

8 (8) one member, appointed by the Vermont Housing Conservation

9 Board;

10 (9) one member, appointed by the Housing & Homelessness Alliance of

11 Vermont;

12 (10) one member, appointed by the Vermont Center for Independent

13 Living;

14 (11) one member, appointed by the Vermont Developmental Disabilities

15 Council;

16 (12) one member of the Land Access and Opportunity Board;

17 (13) one member, appointed by the American Association of Retired

18 Persons Vermont;

19 (14) the Commissioner of the Department of Housing and Community

20 Development or designee;

1 (15) one member, appointed by the NeighborWorks of Western

2 Vermont;

3 (16) one member, appointed by the Vermont Mortgage Bankers

4 Association;

5 (17) one member, appointed by the Vermont Bankers Association;

6 (18) one member, appointed by the Association of Vermont Credit

7 Unions;

8 (19) one member, appointed by the Vermont Leagues of Cities and

9 Towns;

10 (20) one member, appointed by the Vermont Assessors and Listers

11 Association;

12 (21) one member, appointed by the Vermont Association of Realtors;

13 and

14 (22) one member, appointed by ADA Inspections Nationwide, LLC.

15 (c) Powers and duties. The Committee shall study the development and

16 implementation of statewide universal design standards for residential

17 buildings, including identification and analysis of the following issues:

18 (1) existing federal and state laws regarding Americans with Disabilities

19 Act, 42 U.S.C. §§ 12101–12213, standards and building codes;

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

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

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

9 (5) opportunities and challenges with enforcement of identified
10 standards; and

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

12 (d) Assistance. The Committee shall have the administrative, technical,
13 and legal assistance of the Office of Legislative Counsel and the Joint Fiscal
14 Office.

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

19 (f) Meetings.

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

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

15 * * *

16 * * * Sales & Use Tax Exemption * * *

17 **Sec. 6.**

18 * * * VHFA First Generation Homebuyer Program and Down Payment

19 Assistance Program * * *

20 **Sec. 7.** 32 V.S.A. § 5930u is amended to read:

21 § 5930u. TAX CREDIT FOR AFFORDABLE HOUSING

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

2 * * *

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

5 (A) whose parents or legal guardians:

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

8 (ii) lost ownership of a home due to foreclosure, short sale, or
9 deed-in-lieu of foreclosure and have not owned a home since that loss; or

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

11 * * *

12 (g) Credit allocation.

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

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

17 (B) \$675,000.00 in total first-year credit allocations for loans or
18 grants for owner-occupied unit financing or down payment loans as provided
19 in subdivision (b)(2) of this section consistent with the allocation plan,
20 including for new construction and manufactured housing, for an aggregate
21 limit of \$3,375,000.00 over any given five-year period that credits are

1 available under this subdivision (B). Of the total first-year credit allocations
2 made under this subdivision (B), \$250,000.00 shall be used each fiscal year for
3 manufactured home purchase and replacement.

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

9 (2) If the full amount of first-year credits authorized by an award are not
10 allocated to a taxpayer, the Agency may reclaim the amount not allocated and
11 re-award such allocations to other applicants, and such re-awards shall not be
12 subject to the limits set forth in subdivision (1) of this subsection.

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

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

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

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

* * * Land Bank Report * * *

6 **Sec. 8.** DHCD LAND BANK REPORT

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

- 13 (1) the creation of a statewide land bank;
- 14 (2) the authorization of regional or municipal land banks; and
- 15 (3) the identification of funding proposals to support the sustainability
16 of each separate model.

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

* * * Appeals * * *

21 * * * Standard of Proof and Priority for hearing of Housing Appeals * * *

1 **Sec. 9.** 24 V.S.A. § 4471 is amended to read:

2 § 4471. APPEAL TO ENVIRONMENTAL DIVISION

3 * * *

4 (f) Except cases the Court considers of greater importance, proceedings
5 involving development of residential housing before the Environmental
6 Division of the Superior Court and appeals there from, take precedence on the
7 docket over all cases and shall be assigned for hearing and trial or for argument
8 at the earliest practicable date and expedited in every way.

9 (g) A party appealing a land use decision shall demonstrate a clear and
10 substantial departure from the comprehensive plan or land use regulation that
11 directly affects the property.

12 **OR**

13 **Sec. 10.** 10 V.S.A. §8504 is amended to read:

14 §8504. APPEALS TO THE ENVIRONMENTAL DIVISION

15 * * *

16 (h) De novo hearing. The Environmental Division, applying the
17 substantive standards that were applicable before the tribunal appealed from,
18 shall hold a de novo hearing on those issues that have been appealed, except in
19 the case of:

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

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

5 (3) a decision from an appropriate municipal panel regarding a housing
6 development, in which case to prevail, a party appealing the decision shall
7 demonstrate a clear and substantial departure from the municipal bylaw or land
8 use regulation that directly affects the property.

9 * * *

10 * * * Municipal Appeal Standing * * *

11 **Sec. 11.** 24 V.S.A. § 4465 is amended to read:

12 § 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

13 * * *

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

16 * * *

17 (3) A person owning or occupying property in the immediate
18 neighborhood of a property that is the subject of any decision or act taken
19 under this chapter, who can demonstrate a ~~physical or environmental impact on~~
20 ~~the person’s~~ particularized interest under the criteria reviewed, and who alleges

1 that the decision or act, if confirmed, will not be in accord with the policies,
2 purposes, or terms of the plan or bylaw of that municipality.

3 ~~(4) Any 20 persons who may be any combination of voters, residents, or~~
4 ~~real property owners within a municipality listed in subdivision (2) of this~~
5 ~~subsection who, by signed petition to the appropriate municipal panel of a~~
6 ~~municipality, the plan or a bylaw of which is at issue in any appeal brought~~
7 ~~under this title, allege that any relief requested by a person under this title, if~~
8 ~~granted, will not be in accord with the policies, purposes, or terms of the plan~~
9 ~~or bylaw of that municipality. This petition to the appropriate municipal panel~~
10 ~~must designate one person to serve as the representative of the petitioners~~
11 ~~regarding all matters related to the appeal. For purposes of this subdivision, an~~
12 ~~appeal shall not include the character of the area affected if the project has a~~
13 ~~residential component that includes affordable housing.~~

14 ~~(5) Any department and administrative subdivision of this State owning~~
15 ~~property or any interest in property within a municipality listed in subdivision~~
16 ~~(2) of this subsection, and the Agency of Commerce and Community~~
17 ~~Development of this State.~~

18 **Sec. 12.** 24 V.S.A. § 4441 is amended to read:

19 § 4441. PREPARATION OF BYLAWS AND REGULATORY TOOLS;

20 AMENDMENT OR REPEAL

21 * * *

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

4 ***** LURB Study *****

5 **Sec. 13.** 2024 Acts and Resolves No. 181, Sec. 11a is amended to read:

6 Sec. 11a. ACT 250 APPEALS STUDY

7 (a) On or before ~~January 15, 2026~~ November 1, 2025, the Land Use
8 Review Board shall issue a report evaluating whether to transfer appeals of
9 permit decisions and jurisdictional opinions issued pursuant to 10 V.S.A.
10 chapter 151 to the Land Use Review Board or whether they should remain at
11 the Environmental Division of the Superior Court. The Board shall convene a
12 stakeholder group that at a minimum shall be composed of a representative of
13 environmental interests, attorneys that practice environmental and
14 development law in Vermont, the Vermont League of Cities and Towns, the
15 Vermont Association of Planning and Development Agencies, the Vermont
16 Chamber of Commerce, the Land Access and Opportunity Board, the Office of
17 Racial Equity, the Vermont Association of Realtors, a representative of non-
18 profit housing development interests, a representative of for-profit housing
19 development interests, a representative of commercial development interests,
20 an engineer with experience in development, the Agency of Commerce and
21 Community Development, and the Agency of Natural Resources in preparing

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

3 (b) The report shall at minimum recommend:

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

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

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

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

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

4 *** Virtual Group Net Metering ***

5 **Sec. 14.** 30 V.S.A. § 8002 is amended to read:

6 § 8002. DEFINITIONS

7 * * *

8 (10) “Group net metering system” means a net metering system serving
9 more than one customer, or a single customer with multiple electric meters,
10 located within the service area of the same retail electricity provider. Various
11 buildings owned by municipalities, including water and wastewater districts,
12 fire districts, villages, school districts, and towns, may constitute a group net
13 metering system. A union or district school facility may be considered in the
14 same group net metering system with buildings of its member schools that are
15 located within the service area of the same retail electricity provider. A system
16 that files a complete application for a certificate of public good on or after
17 January 1, 2026 shall not qualify for group net metering, unless the plant will
18 be located on the same parcel, or a parcel adjacent to, the parcel where the
19 energy is utilized or if the system serves a multifamily building containing
20 qualified rental units serving low-income tenants, as defined under 32 V.S.A. §
21 5404a(a)(6).

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* * *

(16) “Net metering system” means a plant for generation of electricity that:

(A) is of not more than 500 kW capacity;

(B) operates in parallel with facilities of the electric distribution system;

(C) is intended primarily to offset the customer’s own electricity requirements and does not primarily supply electricity to electric vehicle supply equipment, as defined in section 201 of this title, for the resale of electricity to the public by the kWh or for other retail sales to the public, including those based in whole or in part on a flat fee per charging session or a time-based fee for occupying a parking space while using electric vehicle supply equipment;

(D)(i) employs a renewable energy source; or

(ii) is a qualified micro-combined heat and power system of 20 kW or fewer that meets the definition of combined heat and power in subsection 8015(b) of this title and uses any fuel source that meets air quality standards; and

~~(E)(i) for a system that files a complete application for a certificate of public good after December 31, 2024, except for systems as provided for in~~

1 ~~subdivision (ii) of this subdivision (E),~~ generates energy that will be used on
2 the same parcel as, or a parcel adjacent to, the parcel where the plant is located;

3 ~~(ii) for a system that files a complete application for a certificate~~
4 ~~of public good after December 31, 2025, if unless the system serves a~~
5 multifamily building containing qualified rental units serving low-income
6 tenants, as defined under 32 V.S.A. § 5404a(a)(6), ~~generates then the system~~
7 ~~may or may not generate energy that will be used on the same parcel as, or a~~
8 ~~parcel adjacent to, the parcel where the plant is located; and~~

9 ~~(iii) for .~~ For purposes of subdivisions (10) of this section and this
10 subdivision (16), two parcels shall be adjacent if they share a property
11 boundary or are adjacent and separated only by a river, stream, railroad line,
12 private road, public highway, or similar intervening landform.

13 * * *

14 * * * Efficiency Utilities * * *

15 **Sec. 15.** 30 V.S.A. § § 209 is amended to read:

16 § 209. JURISDICTION; GENERAL SCOPE

17 * * *

18 (d) Energy efficiency.

19 * * *

20 (6) Provision of equity and justice in services; requirements. Any
21 appointed entity shall ensure an equitable and just provision of services.

1 (A) Not less than 25 percent of the annual budget shall be targeted
2 for residential services for customers with low to moderate income.

3 (B) Not less than 12.5 percent of the annual budget shall be targeted
4 for small businesses and not-for-profit organizations.

5 (C) The cost of providing services under this subsection (6) shall be
6 excluded from the calculation of cost-effectiveness for the appointed entities’
7 portfolio of services.

8 * * *

9 * * * **Brownfields** * * *

10 **Sec. 16.** 10 V.S.A. § 6604c is amended to read:

11 § 6604c. **MANAGEMENT OF DEVELOPMENT SOILS**

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

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

20 (2) the development soils have been tested for arsenic, lead, and
21 polyaromatic hydrocarbons pursuant to a monitoring plan approved by the

1 Secretary that ensures that the soils do not leach above groundwater
2 enforcement standards:

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

5 (4) the soils are capped in a manner approved by the Secretary,

6 (5) any activity that may disturb the development soils at the permitted
7 location that may disturb the development soils is done pursuant to a soil
8 management plan approved by the Secretary; and

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

11 * * *

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

13 § 6641. BROWNFIELD PROPERTY CLEANUP PROGRAM; CREATION;
14 POWERS

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

21 * * *

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

3 **Sec. 18. BROWNFIELDS PROCESS IMPROVEMENT; REPORT**

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

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

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

1 **Sec. 19.** 2024 Acts and Resolves No. 87 Sec. 43 is amended to read:

2 Sec. 43. 2023 Acts and Resolves No. 78, Sec. B.1103 is amended to
3 read:

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

5 ONE-TIME APPROPRIATIONS

6 * * *

7 (h) In fiscal year 2024, the amount of \$2,500,000 General Fund is
8 appropriated to the ~~Department of Environmental Conservation~~ Environmental
9 Contingency Fund established pursuant to 10 V.S.A. § 1283 for the
10 Brownfields Reuse and Environmental Liability Limitation Act as codified in
11 10 V.S.A. chapter 159. Funds shall be used for the assessment ~~and cleanup,~~
12 planning, and cleanup of brownfields.

13 * * * VHFA Off-Site Construction * * *

14 **Sec. 20.** VHFA OFF SITE CONSTRUCTION REPORT

15 (a) The sum of \$250,000.00 is appropriated from the General Fund in fiscal
16 year 2026 to the Department of Housing and Community Development granted
17 to the Vermont Housing Finance Agency to further develop recommendations
18 from the 2025 “Opportunities to Utilize Off-Site Construction to Meet
19 Vermont’s Housing, Workforce and Climate Goals” report. The Vermont
20 Housing Finance Agency shall:

- 1 (1) identify and recommend a set of State policy objectives and
- 2 priorities related to off-site housing construction;
- 3 (2) explore opportunities for using bulk purchases of single- and multi-
- 4 family homes produced through off-site construction to achieve lower
- 5 construction costs;
- 6 (3) gather input from potential manufacturers about how to best achieve
- 7 cost savings through a bulk purchase program;
- 8 (4) determine any business planning support needed for existing
- 9 Vermont businesses seeking to develop or expand off-site construction;
- 10 (5) explore creating a working group of neighboring states that
- 11 considers a regional market and shared approach; and
- 12 (6) estimate the funding and structure needed to support greater
- 13 development of off-site homes.
- 14 (b) The Vermont Housing Finance Agency shall submit an interim report
- 15 on or before January 15, 2026 to the House Committee on General and
- 16 Housing and the Senate Committee on Economic Development, Housing and
- 17 General Affairs and a final report on December 15, 2026.

* * * Appropriations * * *

19 Sec. 21. DEPARTMENT OF HOUSING AND COMMUNITY
20 DEVELOPMENT; POSITIONS; APPROPRIATION

1 (a) Three full-time, classified positions are created in the Department of
2 Housing and Community Development. The sum of \$450,000.00 is
3 appropriated from the General Fund to the Department in fiscal year 2026 for
4 the purposes of funding these positions.

5 (b) The sum of \$300,000.00 is appropriated from the General Fund in fiscal
6 year 2026 for the purposes of funding two existing limited-service positions for
7 fiscal years 2026 and 2027. One limited-service position shall provide
8 technical assistance to municipalities, nonprofit organizations, and private
9 developers to aid in the development of infill and missing middle-income
10 housing through the Homes for All initiative. One limited-service position
11 shall coordinate funding to distribution amongst State entities and gather and
12 analyze housing data to ensure efficient use of funds.

13 **Sec. 22.** APPROPRIATIONS

14 The following shall be appropriated from the General Fund in fiscal year
15 2026:

16 (1) The sum of \$40,000,000.00 to the Vermont Housing Conservation
17 Board to provide support and enhance capacity for the production and
18 preservation of affordable mixed-income rental housing and homeownership
19 units, including improvements to manufactured homes and communities,
20 permanent homes and emergency shelter for those experiencing homelessness,
21 recovery residences, and housing available to farm workers, refugees, and

1 individuals who are eligible to receive Medicaid-funded home- and
2 community-based services.

3 (2) The sum of \$39,835,000.00 to the Department of Housing and
4 Community Development for the following purposes:

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

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

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

12 (D) \$500,000.00 granted to the five NeighborWorks America
13 affiliated HomeOwnership Centers for the purpose of providing homebuyer
14 education, financial literacy counseling, and foreclosure prevention programs;
15 and

16 (E) \$235,000.00 granted to Homeshare Vermont for the purpose of
17 funding case management positions and an intake coordinator.

18 (3) The sum of \$2,635,000.00 to the Agency of Human Services for the
19 following purposes:

20 (A) \$2,000,000.00 to implement the Resident Services Program
21 established in Sec. 88 of 2024 Acts and Resolves 181; and

1 (B) \$400,000.00 granted to Cathedral Square to continue the Support
2 and Services at Home (SASH) for All pilot program.

3 (4) The sum of \$373,000.00 to the Vermont State Colleges System for
4 the purpose of supporting the creation of new apprenticeships, curriculum
5 development, employer partnerships, and faculty training in the field of
6 heating, ventilation, and air conditioning. The Vermont State Colleges System
7 shall, on or before January 31, 2027, issue a report to the House Committee on
8 General and Housing and the Senate Committee on Economic Development,
9 Housing, and General Affairs describing how the funds appropriated pursuant
10 to this section have been spent, how any remaining funds appropriated
11 pursuant to this section will be spent, and how the creation of these new
12 programs have improved workforce development issues in the State.

13 (5) The sum of \$149,500 to the Department of Labor to grant to the
14 Vermont Chapter of the Association of General Contractors for the purpose of
15 promoting and expanding their training and certification programs specific to
16 construction and the building trades. The Vermont Association of General
17 Contractors shall, on or before January 31, 2027, issue a report to the House
18 Committee on General and Housing and the Senate Committee on Economic
19 Development, Housing and General Affairs describing how the funds
20 appropriated pursuant to this section have been spent, how any remaining
21 funds appropriated pursuant to this section will be spent, and how the

1 expansion of their programs have improved workforce development issues in
2 the State.

3 **Sec. 23.** EFFECTIVE DATE

4 This act shall take effect on July 1, 2025.

DRAFT