

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on General and Housing to which was referred Senate Bill  
3 No. 328 entitled “An act relating to housing and common interest  
4 communities” respectfully reports that it has considered the same and  
5 recommends that the House propose to the Senate that the bill be amended by  
6 striking out all after the enacting clause and inserting in lieu thereof the  
7 following:

8 \* \* \* Common Interest Community Resources \* \* \*

9 Sec. 1. 3 V.S.A. § 119 is added to read:

10 § 119. COMMON INTEREST COMMUNITY RESOURCES

11 The Secretary of State shall provide on its website or otherwise distribute to  
12 the public information about Vermont’s common interest communities. This  
13 information shall include the governing statutes.

14 \* \* \* Service-Supported Housing \* \* \*

15 Sec. 2. 3 V.S.A. § 3098 is added to read:

16 § 3098. SERVICE-SUPPORTED HOUSING ADVISORY COUNCIL

17 (a) The Service-Supported Housing Advisory Council is created for the  
18 purpose of identifying opportunities for increased alignment between human  
19 services programs and policies serving individuals who receive Medicaid-  
20 funded Developmental Disability Services and housing capital and support  
21 services programs.

1       (b) The Advisory Council shall be overseen by the Department of  
2       Disabilities, Aging, and Independent Living and shall be composed of the  
3       following individuals:

4           (1) one member, appointed by the Vermont Housing and Conservation  
5       Board;

6           (2) the Secretary of Human Services or designee;

7           (3) the Commissioner of Disabilities, Aging, and Independent Living or  
8       designee;

9           (4) the State Treasurer or designee;

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

12          (6) two members, appointed by the Developmental Disabilities Housing  
13       Initiative;

14          (7) the Executive Director of the Vermont Developmental Disabilities  
15       Council or designee;

16          (8) two members, appointed by Green Mountain Self-Advocates; and

17          (9) one member, appointed by Vermont Care Partners.

18       (c)(1) The Advisory Council shall meet at least monthly.

19           (2) The Commissioner of Disabilities, Aging, and Independent Living  
20       shall convene the first meeting of the Advisory Council, during which the  
21       Advisory Council shall elect a chair from among its members.

1       (d) The Advisory Council shall have the administrative, technical, and legal  
2       assistance of the Department of Disabilities, Aging, and Independent Living.

3       (e) When requested by the Vermont Housing and Conservation Board, the  
4       Advisory Council shall provide advice to the Board regarding the expenditure  
5       of funds for the production of permanently affordable housing for individuals  
6       who are eligible to receive Medicaid-funded Developmental Disability  
7       Services.

8       (f)(1) The Advisory Council shall report annually on or before November  
9       15 to the House Committees on General and Housing and on Human Services  
10       and the Senate Committees on Economic Development, Housing and General  
11       Affairs and on Health and Welfare regarding:

12               (A) administrative and programmatic reforms carried out to better  
13       align support-services and housing development programs and policies,  
14       including examples of projects or progress enabled by those changes;

15               (B) a housing needs assessment for individuals served by the  
16       Developmental Disabilities Services System of Care, including a summary of  
17       the number of units and an overview of the types of housing needed to support  
18       this population;

19               (C) activities undertaken pursuant to this section; and

20               (D) recommendations for future legislative action and funding  
21       sources, including actionable recommendations for changes in State laws or

1 policies that are obstacles to the creation of housing needed by individuals who  
2 are eligible to receive Medicaid-funded Developmental Disability Services.

3 (2) The provisions of 2 V.S.A. § 20(d) (expiration of required reports)  
4 shall not apply to the annual report to be made under this subsection.

5 \* \* \* Vermont State Treasurer Credit Facility \* \* \*

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

7 § 10. VERMONT STATE TREASURER; CREDIT FACILITY FOR LOCAL  
8 INVESTMENTS

9 (a)(1) Notwithstanding any provision of 32 V.S.A. § 433(a) to the contrary  
10 and consistent with prudent investment principles and guidelines pursuant to  
11 32 V.S.A. § 433(b) and (c) and the Uniform Prudent Investor Act, 14A V.S.A.  
12 chapter 9, the Vermont State Treasurer shall have the authority to establish on  
13 terms acceptable to the Treasurer:

14 (A) a credit facility of up to ~~10~~ 12.5 percent of the State's average  
15 cash balance ~~on terms acceptable to the Treasurer and consistent with prudent~~  
16 investment principles and guidelines pursuant to 32 V.S.A. § 433(b) ~~(c) and~~  
17 the Uniform Prudent Investor Act, 14A V.S.A. ~~chapter 9; and~~

18 (B) a credit facility of up to one percent of the State's average cash  
19 balance, provided that the credit facility established under subdivision (A) of  
20 this subdivision (1) shall be reduced by an equal amount to any credit facility  
21 amount established under this subdivision (B).



1 Committees on Appropriations, on Economic Development, Housing and  
2 General Affairs, and on Finance.

3 (2) The provisions of 2 V.S.A. § 20(d) (expiration of required reports)  
4 shall not apply to the annual report to be made under this subsection.

5 \* \* \* Off-Site Construction Accelerator Pilot \* \* \*

6 Sec. 4. OFF-SITE CONSTRUCTION ACCELERATOR PILOT

7 (a) The Agency of Commerce and Community Development, in  
8 collaboration with the Department of Buildings and General Services, shall  
9 develop a pilot demonstration project and study that explores the possibilities  
10 of reducing housing development costs through modular construction.

11 (b) The pilot will consider the following elements:

12 (1) bulk purchasing for a single development or aggregation of multiple  
13 developments;

14 (2) streamlining regulatory processes by creating preapproved modular  
15 designs;

16 (3) creating a loan loss reserve for construction loans;

17 (4) utilization of off-site construction, including panelized or volumetric  
18 modular construction;

19 (5) establishing a statewide procurement consortium for bulk orders of  
20 modular units and materials;

21 (6) aligning State and local permitting; and

1           (7) creating and adopting off-site building codes.

2           (c)(1) As part of the pilot, the Agency shall work with the Office of the  
3           State Treasurer to identify the feasibility of the State providing a guarantee or  
4           other device to facilitate bulk purchasing of the off-site construction of homes.

5           (2) Prior to distributing any funds under this subsection, the Treasurer  
6           shall consult with the Department of Housing and Community Development,  
7           the Vermont State Housing Authority, the Vermont Housing Finance Agency,  
8           and the Vermont Housing and Conservation Board.

9           (d) The pilot shall occur in one or more municipalities willing to participate  
10          in the regulatory reforms necessary to implement the process and accept the  
11          constructed homes.

12          (e) A municipal planning grant shall be made available to the participating  
13          municipalities to assist in enacting the necessary regulatory reforms.

14          (f) On or before November 15, 2029, the Agency shall submit a written  
15          report to the House Committee on General and Housing and the Senate  
16          Committee on Economic Development, Housing and General Affairs with its  
17          findings and any recommendations for legislative action based on the success  
18          of the pilot. The report shall include information on whether to enact a  
19          statewide building code or codes for off-site construction.

20          (g) The Agency of Commerce and Community Development shall cease  
21          the pilot demonstration project on June 30, 2030.



1 except that the Authority shall not finance portions or phases of a multiunit  
2 housing development that:

3 (i) the Agency determines is being primarily developed for  
4 occupancy by persons and families of low and moderate income as defined in  
5 subdivision 601(11) of this title; or

6 (ii) utilizes funding issued by the Agency, whether in the form of  
7 debt or tax credits.

8 \* \* \*

9 \* \* \* VHIP \* \* \*

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

11 § 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

12 (a) Creation of Program.

13 (1) The Department of Housing and Community Development shall  
14 design and implement the Vermont Rental Housing Improvement Program,  
15 through which the Department shall award funding to statewide or regional  
16 nonprofit housing organizations, or both, to provide competitive grants and  
17 forgivable loans to private landlords for the rehabilitation, including  
18 weatherization and accessibility improvements, of eligible rental housing units.

19 (2) The Department shall develop statewide standards for the Program,  
20 including factors that partner organizations shall use to evaluate applications  
21 and award grants and forgivable loans. The Department may authorize

1 partnership organizations to advance funding at the beginning of a project as  
2 part of an award.

3 \* \* \*

4 (j) Annual report. Annually, on or before November 15, the Department  
5 shall submit a report to the House Committees on Human Services and on  
6 General and Housing and the Senate Committee on Economic Development,  
7 Housing and General Affairs regarding the following:

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

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

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

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

21 \* \* \* Special Assessment Bonds \* \* \*

1 Sec. 7. 24 V.S.A. § 3257 is added to read:

2 § 3257. SPECIAL ASSESSMENT BONDS

3 (a) Upon approval of the legislative body of the municipality and subject to  
4 subsection (c) of this section, a municipality may issue revenue bonds for the  
5 purpose of financing a public improvement for the benefit of the limited area  
6 of the municipality to be served by the improvement. A revenue bond issued  
7 under this section is issued for an essential and governmental purpose.

8 (b) A revenue bond issued pursuant to this section shall be payable solely  
9 and exclusively from the special assessments levied on the properties to be  
10 served by the improvement and shall not constitute general indebtedness of the  
11 municipality. No holder of a bond issued under this section shall have the right  
12 to compel any exercise of the taxing power of the municipality to pay on the  
13 bond.

14 (c) The municipality may issue a revenue bond pursuant to this section only  
15 if one or more of the following conditions are met:

16 (1) one of the following entities provides a commitment letter for the  
17 issuance:

18 (A) the Vermont Bond Bank;

19 (B) a bank regulated by the Federal Deposit Insurance Corporation,  
20 the Office of the Comptroller of the Currency, or the Federal Reserve Board;

21 or



1 seasonal dwellings and include specific actions to address the housing needs of  
2 persons with low income and persons with moderate income and account for  
3 permitted residential development as described in section 4412 of this title.

4 Progress toward the construction of the housing units identified as needed to  
5 meet projected housing targets shall be documented within the housing  
6 element and updated as appropriate when the plan is amended or readopted  
7 according to section 4385 or 4387 of this title, as the case may be.

8 \* \* \*

9 \* \* \* Municipal Zoning \* \* \*

10 Sec. 9. 24 V.S.A. § 4412 is amended to read:

11 § 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

12 Notwithstanding any existing bylaw, the following land development  
13 provisions shall apply in every municipality:

14 (1) Equal treatment of housing and required provisions for affordable  
15 housing.

16 \* \* \*

17 (B) Except as provided in subdivisions 4414(1)(E) and (F) of this  
18 title, no bylaw shall have the effect of excluding mobile homes, modular  
19 housing, manufactured housing, or prefabricated housing from any district that  
20 allows year-round residential development in the municipality, except upon the  
21 same terms and conditions as conventional housing is excluded. A

1 municipality may establish specific site standards in the bylaws to regulate  
2 individual sites within preexisting mobile home parks with regard to distances  
3 between structures and other standards as necessary to ensure public health,  
4 safety, and welfare, provided the standards do not have the effect of  
5 prohibiting the replacement of mobile homes on existing lots.

6 \* \* \*

7 \* \* \* Reports \* \* \*

8 Sec. 10. OFFICE OF LEGISLATIVE COUNSEL; COMMON INTEREST  
9 COMMUNITY REPORT

10 (a) On or before November 15, 2026, the Office of Legislative Counsel  
11 shall provide a written report to the House Committee on General and Housing  
12 and the Senate Committee on Economic Development, Housing and General  
13 Affairs outlining any legal, conventional financing, and funding compliance  
14 issues related to requiring common interest communities to:

15 (1) authorize leasing of residential units;

16 (2) authorize commercial purposes within a dwelling unit; and

17 (3) permit the construction of accessory dwelling units on land reserved  
18 for the exclusive use of a unit owner.

19 (b) In developing the report, the Office shall work with and identify  
20 external partners with knowledge and expertise in common interest  
21 communities across the State.

1 Sec. 11. VERMONT HOUSING AND CONSERVATION BOARD;

2 FARMWORKER HOUSING REPORT

3 On or before January 15, 2027, the Vermont Housing and Conservation  
4 Board shall submit a written report to the General Assembly with information  
5 on the progress made towards meeting the goals identified in the *Farmworker*  
6 *Housing Needs Assessment* of 2021. The report shall describe the farmworker  
7 housing program established by the Board following the initial report, evaluate  
8 the program's impact on farmworker housing in Vermont, and identify barriers  
9 to improving and expanding farmworker housing.

10 Sec. 12. DEPARTMENT OF HOUSING AND COMMUNITY

11 DEVELOPMENT; CORPORATE PURCHASE OF HOMES

12 REPORT

13 (a)(1) On or before November 15, 2026, the Department of Housing and  
14 Community Development shall submit a report to the House Committee on  
15 General and Housing and the Senate Committee on Economic Development,  
16 Housing and General Affairs with information on the purchase in Vermont of  
17 single- and two-family residences by institutional real estate investors. As part  
18 of the report, the Department shall provide the following information:

19 (A) bills introduced in other states implementing restrictions or  
20 limitations on the corporate purchase of single- or two-family residences;

21 (B) the number of covered entities operating in Vermont;

1           (C) the number of single- and two-family residences owned by  
2           covered entities in Vermont;

3           (D) the number of single- and two-family residences purchased by a  
4           covered entity in Vermont between 2020 and 2026; and

5           (E) proposed methods of enforcement to ensure effective  
6           implementation of any statutory restriction on the corporate purchase of single-  
7           or two-family residences.

8           (2) In the event the Department cannot provide the information required  
9           by subdivisions (1)(B)–(D) of this subsection, the Department shall identify  
10           methods of gathering the information for future use.

11           (b) As used in this section:

12           (1)(A) “Covered entity” means an institutional real estate investor or an  
13           entity that receives funding from an institutional real estate investor for the  
14           purchase of a single-family residence or two-family residence. A loan  
15           provided in exchange for a mortgage of the residence that is being purchased  
16           shall not be considered funding for the purposes of this subdivision (1),  
17           provided that such mortgage shall be of a type for which members of the  
18           general public can apply.

19           (B) “Covered entity” does not include:

1                    (i) an organization that is described in section 501(c)(3) of the  
2                    Internal Revenue Code and exempt from tax under section 501(a) of the  
3                    Internal Revenue Code;

4                    (ii) a land bank;

5                    (iii) a community land trust; or

6                    (iv) a creditor or its loan servicer acquiring ownership of real  
7                    property in full or partial satisfaction of a secured debt.

8                    (2)(A) “Institutional real estate investor” means an entity or combined  
9                    group that, directly or indirectly:

10                    (i) owns 10 or more single-family residences or two-family  
11                    residences, or both;

12                    (ii) manages or receives funds pooled from investors and acts as a  
13                    fiduciary with respect to one or more investors; and

14                    (iii) has \$30,000,000.00 or more in net value or assets under  
15                    management on any day during the taxable year.

16                    (B) An entity is considered owning a single-family residence or two-  
17                    family residence if it directly owns the single-family residence or two-family  
18                    residence or indirectly owns 10 percent or more of the single-family residence  
19                    or two-family residence.

20                    (3) “Single-family residence” means a residential property consisting of  
21                    one dwelling unit, provided that the term does not include:



1 supportive housing. The funds shall be used to expand Vermont’s shelter  
2 capacity, provide homes for those experiencing homelessness, create housing  
3 for individuals eligible to receive Medicaid-funded Developmental Disability  
4 Services, and decrease reliance on the General Assistance Emergency Housing  
5 hotel and motel program. The Vermont Housing and Conservation Board shall  
6 consult with the Agency of Human Services to ensure new investments in  
7 homes and shelters are paired with appropriate support services for residents,  
8 including services supported through Medicaid. Funded projects may utilize a  
9 range of housing options, including the expansion of shelter capacity, the  
10 conversion of hotels to housing, the creation of permanent supportive housing,  
11 and the utilization of manufactured homes on infill sites.

12 \* \* \*

13 \* \* \* Effective Date \* \* \*

14 Sec. 14. EFFECTIVE DATE

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

16  
17  
18 (Committee vote: \_\_\_\_\_)

19 \_\_\_\_\_

20 Representative \_\_\_\_\_

21 FOR THE COMMITTEE