

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 housing and housing development

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

8 \* \* \* Vermont Rental Housing Improvement Program \* \* \*

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

10 § 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

11 (a) Creation of Program.

12 \* \* \*

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

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

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

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

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

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

\* \* \*

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

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

(2)(A) Except as provided in subdivision (2)(B) of this subsection (e), a 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;

9 (iv) displaced due to activity related to climate change or due to a  
10 natural disaster; or

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

14 \* \* \*

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

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

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

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

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

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

15 (ii) ~~actively working with an immigrant or refugee resettlement~~  
16 ~~program; or~~

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

19 (B) ~~If, upon petition of the landlord, the Department or the housing~~  
20 ~~organization that issued the grant determines that a household under~~

1 ~~subdivision (2)(A) of this subsection (f) is not available to lease the unit, then~~  
2 ~~the landlord shall lease the unit:~~

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

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

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

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

13 ~~(4) The Department shall forgive 10 percent of the amount of a~~  
14 ~~forgivable loan for each year a landlord participates in the loan program.~~

15 \* \* \*

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



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

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

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

11                   \* \* \* Vermont Infrastructure Sustainability Fund \* \* \*

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

13                                   Subchapter 6: Special Funds

14   \* \* \*

15           § 4686. VERMONT INFRASTRUCTURE SUSTAINABILITY FUND

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

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

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

4       (d) Program parameters.

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

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

10           (A) preliminary engineering and planning;

11           (B) engineering design and bid specifications;

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

13           (D) transportation investments, including those required by municipal  
14       regulation, the municipality's official map, designation requirements, or other  
15       planning or engineering identifying complete streets and transportation and  
16       transit related improvements, including improvements to existing streets;

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

20       (e) Application Requirements. Eligible project applications shall  
21       demonstrate:



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

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

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

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

9           (1) whether there is a direct connection to proposed or in-progress  
10          housing development with demonstrable progress toward regional housing  
11          targets;

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

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

15          (4) the ranking of the community on the Vermont Department of

16          Finance and Management, Vermont Community Index; and

17          (5) the demonstration of financing for project completion or completion  
18          of a project component.

19          (g) Award terms. The Vermont Bond Bank, in consultation with the

20          Department of Housing and Community Development, shall establish award

21          terms that may include:



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

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

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

6                    \* \* \*

7                    (g) Credit allocation.

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

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

12                    (B) \$675,000.00 in total first-year credit allocations for loans or  
13                    grants for owner-occupied unit financing or down payment loans as provided  
14                    in subdivision (b)(2) of this section consistent with the allocation plan,  
15                    including for new construction and manufactured housing, for an aggregate  
16                    limit of \$3,375,000.00 over any given five-year period that credits are  
17                    available under this subdivision (B). Of the total first-year credit allocations  
18                    made under this subdivision (B), \$250,000.00 shall be used each fiscal year for  
19                    manufactured home purchase and replacement.

20                    (C) \$250,000.00 in total first-year credit allocations for grants to  
21                    first-time homebuyers who are also first-generation homebuyers as provided in

1 subdivision (b)(3)(D) of this section, for an aggregate limit of \$1,250,000.00  
2 over any given five-year period that credits are available under this subdivision  
3 (C).

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

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

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

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

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

1           \* \* \* Housing & Residential Services Planning Committee \* \* \*

2           **Sec. 5.** STATE HOUSING AND RESIDENTIAL SERVICES PLANNING

3                           COMMITTEE; REPORT

4           (a) Creation. There is created the State Housing and Residential Services  
5           Planning Committee to generate a state plan to develop housing for individuals  
6           with developmental disabilities.

7           (b) Membership. The Committee shall be composed of the following  
8           members:

9                           (1) one current members of the House of Representatives, who shall be  
10           appointed by the Speaker of the House;

11                           (2) one current members of the Senate, who shall be appointed by the  
12           Committee on Committees;

13                           (3) the Secretary of the Agency of Human Services, or designee;

14                           (4) the Commissioner of the Department of Disabilities, Aging and  
15           Independent Living, or designee;

16                           (5) the Commissioner of the Department of Housing and Community  
17           Development, or designee;

18                           (6) the State Treasurer, or designee;

19                           (7) one member, appointed by the Developmental Disabilities Housing  
20           Initiative;

1           (8) the Executive Director of the Vermont Developmental Disabilities

2           Council;

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

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

5           (11) one member, appointed by the Vermont Housing and Conservation

6           Board;

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

12           (1) a schedule for the creation of at least 600 additional units of service  
13           supported housing;

14           (2) the number and description of the support needs of individuals with  
15           developmental disabilities anticipated to be served annually;

16           (3) anticipated funding needs; and

17           (4) recommendations for changes in State laws or policies that are  
18           obstacles to the development of housing needed by individuals with Medicaid  
19           funded home and community based services.

20           (d) Report. On or before November 15, 2025, the Committee shall submit  
21           a written report to the House Committees on General and Housing and Human

1 Services and the Senate Committees on Economic Development, Housing and  
2 General Affairs and Health and Welfare with its findings and any  
3 recommendations for legislative action.

4 (e) Meetings.

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

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

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

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

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

17 \* \* \* Positive Rental Payment Pilot Program \* \* \*

18 **Sec. 6.** POSITIVE RENTAL PAYMENT CREDIT REPORTING PILOT

19 (a)(1) The State Treasurer shall create and implement a positive rental  
20 payment reporting pilot program in order to facilitate the reporting of  
21 participant tenant rent payment information to consumer reporting agencies.

1           (2) The pilot program shall begin on January 1, 2026 and shall end on  
2           December 31, 2027.

3           (b) To implement the pilot program, the State Treasurer shall:

4           (1) enter into agreement with one or more affordable housing providers  
5           in the State in accordance with the requirements of this section for  
6           participation in the pilot program;

7           (2) ensure that information to a credit reporting agency includes only  
8           rent payment information concerning a participant tenant’s payment or  
9           nonpayment of rent after the date on which the participant tenant elected to  
10          participate in the pilot program; and

11          (3) establish a standard form for a participant tenant to use to elect to  
12          participate or cease participation in the pilot program, which shall include:

13           (A) a statement that the tenant’s participation is voluntary and that a  
14           participant may cease participating in the pilot program at any time and for any  
15           reason by providing notice to the participant’s landlord;

16           (B) a statement that all the participant’s rent payments may be  
17           reported, regardless of whether the payments are timely, late, or missed, and  
18           that reporting may commence within 30 days after the election to participate in  
19           the pilot program; and



1           (C) a statement that if the participant elects to cease participating in  
2           the pilot program, the participant may not resume participating in the pilot  
3           program.

4           (c) The State Treasurer may enter into agreement with one or more entities  
5           for the transmission of rent reporting information from the affordable housing  
6           providers to a consumer reporting agency.

7           (d) An affordable housing provider shall agree in writing:

8           (1) to participate in the pilot program for the duration of the program;

9           (2) not to charge a participant tenant for participation in the pilot  
10          program;

11          (3) to comply with the requirements of the program; and

12          (4) to provide information as required by the State Treasurer concerning  
13          the implementation of the pilot program; and

14          (5) to assist in the recruitment of tenants to participate in the pilot  
15          program.

16          (e) In order to participate in the pilot program, tenants shall complete a  
17          financial education course as determined by the State Treasurer in coordination  
18          with the affordable housing provider.

19          (f) The State Treasurer may terminate the pilot program at any time in the  
20          Treasurer’s sole discretion or terminate participation of an affordable housing  
21          provider for failure to comply with the requirements of the program.

1       (g) On or before November 1, 2027, the State Treasurer shall submit a  
2       report to the Senate Committee on Economic Development, Housing and  
3       General Affairs and the House Committee on General and Housing regarding  
4       the findings of the pilot program. The report shall include:

5               (1) the number of participant tenants, including information regarding  
6       the demographic makeup of participant tenants, such as race, ethnicity, gender,  
7       income, and age, as voluntarily provided by the participant;

8               (2) the number of participant tenants who ceased participating in the  
9       program;

10              (3) a breakdown of costs of administering the program, including the  
11       monthly costs associated with rent reporting;

12              (4) a description of challenges faced by the participating affordable  
13       housing providers and participating tenants during the pilot program;

14              (5) an analysis of the outcomes of rent reporting on participant tenant's  
15       credit scores; and

16              (6) recommendations for legislative action, including proposed statutory  
17       language.

18                       \* \* \* Housing & Public Accommodation Protections \* \* \*

19       **Sec. 7.** 9 V.S.A. § 4501 is amended to read:

20       § 4501. DEFINITIONS

21       As used in this chapter:

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

(i) use of a place of public accommodation or any of the accommodations, advantages, facilities, or privileges of a place of public accommodation because of the person’s race, creed, color, national origin, citizenship, immigration status, marital status, sex, sexual orientation, gender identity, or disability; or

(ii) terms, conditions, privileges, or protections in the sale or rental of a dwelling or other real estate, or in the provision of services or facilities in connection with a dwelling or other real estate, because of the person’s race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, citizenship, immigration status, or disability, or because the person intends to occupy a dwelling with one or more minor children, or because the person is a recipient of public assistance, or because the person is a victim of abuse, sexual assault, or stalking.

\* \* \*

**Sec. 8.** 9 V.S.A. § 4502 is amended to read:

§ 4502. PUBLIC ACCOMMODATIONS

(a) An owner or operator of a place of public accommodation or an agent or employee of such owner or operator shall not, because of the race, creed,

1 color, national origin, citizenship, immigration status, marital status, sex,  
2 sexual orientation, or gender identity of any person, refuse, withhold from, or  
3 deny to that person any of the accommodations, advantages, facilities, and  
4 privileges of the place of public accommodation.

5 \* \* \*

6 **Sec. 9.** 9 V.S.A. § 4503 is amended to read:

7 § 4503. UNFAIR HOUSING PRACTICES

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

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

17 (2) To discriminate against, or to harass, any person in the terms,  
18 conditions, privileges, and protections of the sale or rental of a dwelling or  
19 other real estate, or in the provision of services or facilities in connection with  
20 a dwelling or other real estate, because of the race, sex, sexual orientation,  
21 gender identity, age, marital status, religious creed, color, national origin,

1 citizenship, immigration status, or disability of a person, or because a person  
2 intends to occupy a dwelling with one or more minor children, or because a  
3 person is a recipient of public assistance, or because a person is a victim of  
4 abuse, sexual assault, or stalking.

5 (3) To make, print, or publish, or cause to be made, printed, or published  
6 any notice, statement, or advertisement, with respect to the sale or rental of a  
7 dwelling or other real estate that indicates any preference, limitation, or  
8 discrimination based on race, sex, sexual orientation, gender identity, age,  
9 marital status, religious creed, color, national origin, citizenship, immigration  
10 status, or disability of a person, or because a person intends to occupy a  
11 dwelling with one or more minor children, or because a person is a recipient of  
12 public assistance, or because a person is a victim of abuse, sexual assault, or  
13 stalking.

14 (4) To represent to any person because of the race, sex, sexual  
15 orientation, gender identity, age, marital status, religious creed, color, national  
16 origin, citizenship, immigration status, or disability of a person, or because a  
17 person intends to occupy a dwelling with one or more minor children, or  
18 because a person is a recipient of public assistance, or because a person is a  
19 victim of abuse, sexual assault, or stalking, that any dwelling or other real  
20 estate is not available for inspection, sale, or rental when the dwelling or real  
21 estate is in fact so available.

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(6) To discriminate against any person in the making or purchasing of loans or providing other financial assistance for real-estate-related transactions or in the selling, brokering, or appraising of residential real property, because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, citizenship, immigration status, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

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

(8) To deny any person access to or membership or participation in any multiple listing service, real estate brokers' organization, or other service, organization, or facility relating to the business of selling or renting dwellings,

1 or to discriminate against any person in the terms or conditions of such access,  
2 membership, or participation, on account of race, sex, sexual orientation,  
3 gender identity, age, marital status, religious creed, color, national origin,  
4 citizenship, immigration status, or disability of a person, or because a person is  
5 a recipient of public assistance, or because a person is a victim of abuse, sexual  
6 assault, or stalking.

7 \* \* \*

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

14 \* \* \*

15 (d) If required by federal law, the verification of immigration status shall  
16 not constitute a violation of subsection (a) of this section with respect to the  
17 sale and rental of dwellings.

18 \* \* \* LURB Appeals Study \* \* \*

19 **Sec. 10.** 2024 Acts and Resolves No. 181, Sec. 11a is amended to read:

20 Sec. 11a. ACT 250 APPEALS STUDY

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

18 (b) The report shall at minimum recommend:

19 (1) whether to allow consolidation of appeals at the Board, or with the  
20 Environmental Division of the Superior Court, and how, including what  
21 resources the Board would need, if transferred to the Board, appeals of permit



1 decisions issued under 24 V.S.A. chapter 117 and the Agency of Natural  
2 Resources can be consolidated with Act 250 appeals;

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

6 (3) procedural rules to govern the Board’s administration of Act 250 and  
7 the adjudication of appeals of Act 250 decisions. These rules shall include  
8 procedures to create a firewall and eliminate any potential for conflicts with  
9 the Board managing appeals and issuing permit decisions and jurisdictional  
10 opinions; and

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

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

17 \* \* \* Manufactured Housing \* \* \*

18 **Sec. 11.** 24 V.S.A. § 4412 is amended read:

19 § 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

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



1 approval authorization issued pursuant to the Solid Waste Management Rules  
2 that contains, at a minimum, the following:

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

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

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

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

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

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

18 \* \* \*

19 **Sec. 13.** 10 V.S.A. § 6641 is amended to read:

20 § 6641. BROWNFIELD PROPERTY CLEANUP PROGRAM; CREATION;  
21 POWERS

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

7 \* \* \*

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

10 **Sec. 14.** BROWNFIELDS PROCESS IMPROVEMENT; REPORT

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

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

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

6           **Sec. 15.** 2024 Acts and Resolves No. 87 Sec. 43 is amended to read:

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

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

10           ONE-TIME APPROPRIATIONS

11   \* \* \*

12           (h) In fiscal year 2024, the amount of \$2,500,000 General Fund is  
13           appropriated to the ~~Department of Environmental Conservation~~ Environmental  
14           Contingency Fund established pursuant to 10 V.S.A. § 1283 for the  
15           Brownfields Reuse and Environmental Liability Limitation Act as codified in  
16           10 V.S.A. chapter 159. Funds shall be used for the assessment ~~and cleanup,~~  
17           planning, and cleanup of brownfields.

18           **Sec. 16.** BROWNFIELD FUNDING

19           The sum of \$6,000,000.00 is appropriated from the General Fund to the  
20           Brownfields Revitalization Fund established in 10 V.S.A. § 6654. The Agency  
21           of Commerce and Community Development shall award the amount of

1 \$2,000,000.00 in fiscal year 2026 to regional planning commissions for the  
2 purposes of brownfields assessment. In awarding funds under this section, the  
3 Secretary of Commerce and Community Development, in consultation with the  
4 Vermont Association of Planning and Development Agencies, shall select one  
5 regional planning commission to administer these funds. To ensure statewide  
6 availability, the selected regional planning commission shall subgrant to  
7 regional planning commissions with brownfield programs, with not more than  
8 10 percent of the funds being used for administrative purposes.

9 \* \* \* TIF / SPARC / HIT \* \* \*

10 **Sec. 17.**

11 \* \* \* Taxes \* \* \*

12 **Sec. 18.** 32 V.S.A. § 5811(21)(C) is amended to read:

13 (C) decreased by the following exemptions and deductions:

14 \* \* \*

15 (iv) an amount equal to the itemized deduction for medical  
16 expenses taken at the federal level by the taxpayer, under 26 U.S.C. § 213:

17 ~~(H)~~ minus the amount of the Vermont standard deduction and  
18 Vermont personal exemptions taken by the taxpayer under this subdivision  
19 (C); ~~and~~

20 ~~(H) minus any amount deducted at the federal level that is~~  
21 ~~attributable to the payment of an entrance fee or recurring monthly payment~~

1 ~~made to a continuing care retirement community regulated under 8 V.S.A.~~  
2 ~~chapter 151, which exceeds the deductibility limits for premiums paid during~~  
3 ~~the taxable year on qualified long term care insurance contracts under 26~~  
4 ~~U.S.C. 213(d)(10)(A).~~

5 **Sec. 19.** 32 V.S.A. § 3800 is amended to read:

6 § 3800. STATUTORY PURPOSES

7 \* \* \*

8 (r) The statutory purpose of the exemption under section 3851 of this title  
9 for certain new construction and improvements is to incentivize those  
10 activities.

11 **Sec. 20.** 32 V.S.A. § 3851 is added to read:

12 § 3851. NEW ACCESSORY DWELLING UNITS AND CERTAIN  
13 PROPERTY IMPROVEMENTS

14 (a) An increase in the appraisal value of a property shall be exempted from  
15 property taxation by fixing and maintaining the taxable value at the property's  
16 grand list value in the year immediately preceding improvements in the  
17 following cases:

18 (1) the property has been rehabilitated or improved using a grant from  
19 the Vermont Housing Improvement Program and construction has been fully  
20 completed in the previous 12 months; or

1           (2) the property has been improved through the construction of a new  
2           accessory dwelling unit, as defined by 24 V.S.A. § 4303(38), and construction  
3           has been fully completed in the previous 12 months.

4           (b) A decrease in appraisal value of a property subject to this exemption  
5           due to damage or destruction from fire or act of nature may reduce the  
6           property’s taxable value below the fixed value under subsection (a) of this  
7           section.

8           (c) The exemption under this section shall apply to the State education  
9           property tax imposed under chapter 135 of this title and to municipal property  
10           tax.

11           (d) An exemption under this section shall remain in effect for three years.  
12           When the exemption period ends, the property shall be taxed at its most  
13           recently appraised grand list value.

14                           \* \* \* VHFA Off-Site Construction \* \* \*

15           **Sec. 21.** VHFA OFF SITE CONSTRUCTION REPORT

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





