



State of Vermont

Agency of Commerce and Community Development

Department of Housing and Community Development

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MEMORANDUM

TO: Municipal Planning and Development Review Officials

FROM: Vermont Department of Housing and Community Development
Chris Cochran, Director of Community Planning & Revitalization
Jacob Hemmerick, Community Planning & Policy Manager
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DATE: June 7, 2022

RE: 2022 Legislative Revisions Affecting Community Planning and Revitalization

PRELIMINARY SUMMARY PENDING FINAL EXECUTIVE ACTIONS

Vermont's General Assembly enacted several laws and amendments affecting state, municipal, and regional planning during the 2022 session. As in past years, we are issuing this preliminary memo to inform local and regional officials of changes in statute and funding opportunities.

This document will be updated with links to the bills as enacted when final and posted. The Vermont Statutes Online website is typically updated in October and does not include the prior session's changes until then.

In compiling these updates, we owe thanks to the Vermont Planners Association's (VPA) legislative team and to the Vermont League of Cities and Towns' advocacy team (VLCT) for their companion legislative updates throughout the session, as well as the Vermont Association of Planning & Development Agencies (VAPDA).

The year ahead presents another round of unprecedented funding opportunities for planning and community development stakeholders. The important work of community leaders in the coming year will shape Vermont's future for many years. The Department of Housing & Community Development (DHCD) is thankful for the efforts happening throughout the state to recover from the pandemic and build thriving communities.

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H.740 – An act relating to making appropriations for the support of government: The legislature passed a record-breaking \$8.3 billion dollar budget that made significant investments in housing (\$89M), workforce and economic development (\$165M), sewer and water infrastructure (\$104M), broadband (\$96M), and climate change initiatives (\$224M). Many of these are one-time American Rescue Plan Act (ARPA) investments that must be obligated by December 31, 2024, and expended by December 31, 2026, although the Agency of Administration will expect final spending to be complete earlier in 2026.

State Budget Highlights

The Agency of Commerce and Community Development (ACCD) will stand up a new \$40M Community Recovery and Revitalization Grant Program (more on this in the S.11 summary below). The Brownfield Assessment and Cleanup Program received a \$6M boost. The Bike and Pedestrian Facilities Program received nearly \$20M, and outdoor recreation grants received an additional \$5M. The Vermont Arts Council will stand up a \$9M program to ensure the arts remains a vital part of the Vermont economy. And, Village Centers have a special allocation of \$15M for water and wastewater infrastructure.

DHCD will oversee or manage over \$42M in funding to increase housing options, quality, and access. The programs will provide targeted support to first-generation and “missing middle” home buyers, accessory dwelling units, manufactured homes and communities, and state designated centers. DHCD will also oversee a \$10M grant program to expand electric vehicle charging options at multiunit dwellings, workplaces, and public venues and attractions. The Department will continue its municipal ARPA technical assistance program that funds several positions at the Vermont League of Cities and Towns.

After years of flat funding, Regional Planning Commissions received an additional \$1.6M, increasing their annual grant to \$4.57M. This additional funding comes from healthy property transfer tax revenues, which help pay for municipal and regional planning, as well as the Vermont Housing and Conservation Board, and the Vermont Center for Geographic Information.

The Municipal Planning Grant (MPG) Program was on track to receive a \$400,000 increase in FY23, but a bill drafting error now requires DHCD to allocate \$650,000 of the \$872,120 total budgeted for MPG to bylaw modernization grants (the correct language included the important words “up to” \$650,000 to support bylaw modernization grants). As passed, this results in only \$200,000 in funding to support municipal planning grants in the coming year.

DHCD and House budget writers agreed on a solution to offer \$400,000 for Bylaw Modernization Grants in the fall, and may have to open Municipal Planning Grants after a budget adjustment bill restores the MPG funding to last year’s amount of \$450,000. This may delay the FY23 MPG granting round.

S.226 – An act relating to expanding access to safe and affordable housing: Increasing the supply of homes was a top priority of the Governor and the General Assembly. This bill aims to align state and local land use policy with millions in new funding to enable more homes to be built in state designated centers. It makes changes to the Neighborhood Development Area Designation Program that will make it easier for small towns and villages to achieve the designation and qualify for benefits like tax credits and Act 250 exemptions for affordable housing projects. Below is a section-by-section summary.

§§1-11: NEW HOUSING PROGRAMS AND FUNDING:

§§1-2 – \$1M First-Generation Homebuyer Program: Vermont Housing Finance Agency (VHFA) will run this new program with support and oversight by DHCD. This program couples with the existing Down Payment Assistance Programs at VHFA and is intended to help households historically sidelined from home ownership and the opportunities it provides to build wealth. Look for specific program guidelines and eligibility for this new program in the coming months.

§3 – \$4M Manufactured Home Replacement and Park Improvement: These ARPA funds will allow DHCD to design and implement programs, in coordination with regional and statewide partners, to provide owners of manufactured home communities with small-scale grants up to \$20,000 to improve critical infrastructure in mobile home parks (\$2.5M), assist with minor home repairs under \$3,000 (\$750,000), and foundation grants for HUD-approved installations (\$750,000). Through these efforts, Vermont's manufactured home

communities can receive the necessary investment to continue to provide an affordable, safe housing options for thousands of Vermonters.

§4 – \$1M Neighborhood Development Partnership: DHCD will lead an ARPA-funded, stakeholder partnership effort to build homes in a new or existing neighborhood. Members of the partnership, including Vermont Housing & Conservation Board (VHCB), the Agency of Natural Resources (ANR), Vermont Department of Public Service (PSD), Vermont Agency of Transportation (AOT), Regional Development Corporations (RDC), VHFA, RPCs, and other stakeholders, will bring funding or resources to pilot a new model of partnership and shared risk to develop and re-develop new neighborhood infrastructure and build needed homes. Municipalities interested in participating will have bylaws that support compact development, will be able to demonstrate need, and will make budget commitments to support housing within or near a community center. Only one municipality will be selected to partner with funders. Program guidelines will be available this fall, and the results of the program are due to the legislature in December 2026.

§§5-10 – \$2.45M Downtown and Village Center Tax Credit Expansion: These sections expand the tax credit benefit to neighborhood development areas and create a new flood mitigation credit of up to \$75,000 to help offset costs to make vulnerable buildings flood-ready. Funding to support the expanded tax credits is in S.11, which also increases the tax credit program cap to \$4.2M for two years and allows up to \$2M to be allocated to projects in neighborhood development areas.

§11 – \$15M Missing Middle Income Home Ownership Development Program: As is the case across the country, Vermont has seen limited development of housing that is affordable to the aspiring first-time homebuyer, or to those making an income that is above the threshold for subsidy eligibility (above 120% of area median income) but below what is needed to actively compete in the current market. The Missing Middle Homeownership Program aims to bridge these steps in the ladder by providing ARPA funded incentives and support to developers to build modest homes to be sold at prices affordable to middle-income Vermonters. This innovative approach has been supported in other areas of the country and could serve as a model for supporting our workforce and keeping Vermont vibrant for all. \$5M will be allocated in FY22 and \$10M in FY23.

§§12-22: MISCELLANEOUS HOUSING PROVISIONS:

§§12-18 – Residential Construction Contractors: To inform consumers, reduce fraud, and educate contractors on current standards, the act creates a registration and certification framework for residential construction contractors within the Office of Professional Regulation. The threshold for registration and written contracts is \$10,000.

§§19-20 – Equity and Harassment in Housing: This section amends and strengthens provisions of the Vermont public accommodations and fair housing laws regarding harassment and discrimination of members of protected classes.

§21 – Prohibition of Tax Sale while VHAP Application is Pending: This section prevents a tax sale and allows for a stay of a tax sale procedure pending the outcome of a Vermont Homeowner Assistance Program (VHAP) application. It requires a municipality to provide notice to a delinquent taxpayer of VHAP funding.

§22 – Vermont Land Access and Opportunity Board: Provides \$200,000 to VHCB to create a board to promote racial and social equity access to farm and forest land and homeownership for Vermonters who have historically suffered from discrimination and have not had equal access to public or private economic benefits. The Board will advise and work with a mix of organizations and state agencies.

§§23-34: HOUSING RELATED PERMIT REFORMS:

§23 – Neighborhood definitions: This section makes changes to the definition of neighborhood development area, allowing a multi-town application and designation of Neighborhood Development Areas (such as designation of Burlington neighborhoods just across the river from Winooski's downtown). It also allows the neighborhood development area to overlay the flood hazard and river corridor areas that are outside of the floodway, with the local adoption of flood hazard and river corridors bylaws for the entire municipality. Last, it removes the pre-requisite for existing wastewater infrastructure and treats all uses equally by applying the minimum density requirement of four units per acre for all residential uses and building types.

§24 – Designation of new town center development districts: Creates a minimum density requirement of four dwellings units per acre for all allowed residential uses and building types.

§25 – Zoning permit, certificate of occupancy and municipal land use permit: To allow a longer implementation of a zoning permit, this section invalidates any municipal bylaw that expires a municipal land use site plan or conditional use permit in less than two years from the date of issuance. Although statute is currently silent on such timelines, any bylaws that do not hold such a permit valid for at least two years must be updated to allow the minimum time frame.

§§26-28 – Municipal Planning & Bylaw Modernization Grants: This section allows DHCD to use up to 6% of municipal planning grant funds for the necessary costs of administering the program, and allows funds allocated to the municipalities to be used for a stand-alone Bylaw Modernization Grant Program. The new statute outlines what the program will fund and commits \$650,000 of the \$872,120 municipal allocation for bylaw modernization in FY23. As noted in the State Budget Highlights section above this was a bill drafting error that limited the portion of funds available for municipal planning grants to approximately \$200,000. House budget writers have agreed to offer a correction bill. This may delay MPG awards from December until May of 2023.

§29 – Permissible Types of Zoning Regulation for Accessory Dwelling Units (ADU): This section invalidates municipal bylaws that require more than one parking space per bedroom for an accessory dwelling unit. Bylaws with greater parking requirements for this accessory use must be updated.

§§30-33 – Act 250 Changes: This section increases the unit cap for a priority housing project to qualify for act 250 exemption from 24 to 49 dwelling units, for small municipalities with populations less than 6,000. The unit caps for larger municipalities remain unchanged. The legislation also simplifies qualification as a priority housing project on lands subject to act 250 permit by eliminating the requirement for a permit amendment. Both changes will prompt an update to the State's priority housing project [flowchart](#) used to determine eligibility. The section also updates flood and priority housing project definitions to reflect current ANR and VHFA practices.

§§34-38: MISCELLANEOUS ACT 250 CHANGES:

§34 – Municipal Response to Act 250: Requires cities and towns to respond to applicants on any municipal impacts within 90 days. Failure to respond within 90 days results in presumptive compliance with criteria 6 and 7.

§§35-36 – Wood Products Manufactures: Changes to definitions and permit conditions to increase flexibility on permit conditions for forestry, including more flexibility for timing of deliveries of wood products.

§§37-38 – Jurisdiction in One-Acre Towns: Codifies the historic practice for determining

commercial and industrial development jurisdiction in towns without permanent zoning and subdivision.

§§39-41: REPORTS:

§39: The Natural Resources Board (NRB) will review and report on proposed changes to Act 250 to exempt accessory on-farm businesses like farm stays, stands, suppers and weddings. The report is due January 1, 2023.

§40: The state designation programs; downtowns, village centers, neighborhood development areas, new town centers, and growth centers – are widely recognized by local and regional governments and state agencies as locations where new development can maximize benefits and minimize impacts of growth, but they were not designed to substitute regional land use planning or to manage broader climate impacts, including climate related risks to infrastructure, human health and local economies, as well as the growth Vermont expects to see from climate related migration. The legislature appropriated \$150,000 to DHCD to support an independent, multi-stakeholder process to evaluate and make recommendations for modernizing the programs. The consultant's report is due July 1, 2023.

§41: Requires a NRB report on various Act 250 topics including: how to transition to location-based jurisdiction, how to use the Capability and Development Plan, the effectiveness of the current fee structure, and assessment of current staff levels. The report is due December 31, 2023.

S.210 – An act relating to rental housing health, safety, and affordable housing: The enforcement of rental housing health and safety codes often falls on individual municipal health officers. The Rental Housing Safety Bill reassigns this important function to the Division of Fire Safety and allocates funds that would allow for the hiring of additional inspectors to respond to complaints about health and safety problems in rental housing.

The bill also appropriates \$20M in ARPA funding to continue the successful Vermont Housing Improvement Program (VHIP), up to \$5M of which is for new ADUs. Funds will be administered through the regional Homeownership Centers and will provide property owners with grants or forgivable loans of up to \$50,000, with an additional 20% match required from the owner, to rehabilitate rental units that are out of compliance with applicable building, housing, and health laws (including weatherization improvements), and once rehabilitated, to rent the units at affordable rates. The current focus of this program is to utilize these units to assist households experiencing homelessness and other low-income Vermonters while helping to re-invest in existing buildings to address our housing availability crisis. The portion of the funds for ADUs will support the creation of new units with similar affordable rental requirements and fund a statewide education and navigation system to support homeowners through the process of design, finance, permitting, and contracting for improvements that create ADUs. The grants and loans carry different requirements. Stay tuned for program details. DHCD must report back to the legislature on the program's impact by February 15, 2023.

H. 512 – An act relating to modernizing land records and notarial acts law: Effective July 1, 2022, the act aims to establish new and more uniform standards and best practices for notarial acts and real estate-related land records issued by the Vermont State Archives and Record Administration. The bill began as an effort for centralized digital record-keeping and evolved into best practices and a report to the General Assembly due in January. The report will outline ways to modernize land records. The most significant change related to notarial acts is an allowance for remote notarization, where communication can be done by sight and sound, including many requirements and rulemaking authority to establish a special endorsement for such acts. This work would affect municipal land use permits.

H.518 – An act relating to municipal energy resilience initiatives: The act establishes the Municipal Energy Resilience Grant Program within the Department of Building and General

Services, and appropriates \$36M in ARPA funds to grant up to \$500,000 to municipalities for improvements to municipal buildings that result in the reduction or elimination of the use of fossil fuels for heating, including weatherization, improved thermal system efficiency, and replacement of heating systems with renewable or electric heating systems. Grants of up to \$4,000 are also available for facilitating community meeting and communications about municipal energy resilience.

To be eligible for grant funds, a municipality must first apply for a building assessment, which will be completed by a 3rd party contractor hired by BGS with \$5M allocated by this bill. To receive a building assessment, the building must have existing access to high-speed internet or a plan for acquiring access to high-speed internet by 2024 and be ADA compliant by the time the project is completed. Assessments will be completed by January 15th, 2024.

Municipalities will be able to seek out assistance from their Regional Planning Commissions for assistance on assessment and grants applications, thanks to \$2.4M that was appropriated to BGS for distribution to RPCs for their technical support services, per the standard RPC funding allocation formula.

H.551 – An act relating to prohibiting racially and religiously restrictive covenants in deeds: Effective July 1, 2022, all deeds, mortgages, plats cannot contain a covenant, easement, or restriction on the ownership or use of real property on the basis of race or religion. Existing restrictions of this kind are made void and unenforceable in state law, consistent with the US Supreme Court’s 1948 decision in *Shelley v. Kraemer*, which made such covenants unenforceable.

H.697 – An act relating to eligibility of reserve forestland for enrollment in the Use Value Appraisal Program: The legislation amends 32 V.S.A chapter 124 to define “reserved forestland” and authorizes this new category to be eligible for enrollment in the Use Value Appraisal Program.

It defines reserve forestland as land that is managed for achieving old forest values. Unlike “managed forestland” which is currently eligible for the Use Value Appraisal Program, reserve forestland would not require active growing and harvesting of forest crops but may require restoration of degradation to advance old forest functions and values.

Parcels between 25 and 100 acres would be eligible as reserve forestland for the Use Value Appraisal Program if 50% or more of the enrolled parcel acres are composed of significant and sensitive conditions, as defined by the minimum acceptable standards established by the Commissioner. Parcels over 100 acres would be eligible as reserve forestland for the Use Value Appraisal Program if more than 30% of the enrolled parcel acres are composed of significant and sensitive conditions as defined by the minimum acceptable standards established by the Commissioner.

Land already enrolled in the Use Value Appraisal Program under the managed forestland category can transition to enrollment as reserve forestland, if eligible, beginning July 1, 2023.

H.736 – An act relating to the Transportation Program and miscellaneous changes to laws related to transportation: The bill sets the State’s annual Transportation Program for FY23 and includes funds to support a wide range of programs that increase transportation equity and choice, provide options to reduce household transportation costs, support vibrant and walkable centers, and reduce greenhouse gas emissions from the transportation sector.

FUNDS FOR ACTIVE, SHARED AND PUBLIC TRANSPORTATION MODES:

§2 – Summary of Investments: The Bike and Pedestrian Facilities Program received an appropriation of \$19.8M to fund 29 bike and pedestrian construction projects and 18 bike and pedestrian design, right-of-way, or design and right-of-way projects for construction in

future fiscal years. The Public Transit Program received an appropriation of \$50.23M for public transit uses throughout the State, a 9.6% increase over fiscal year 2022. This appropriation includes \$873,000 for Go! Vermont which supports implementing the State's transportation demand management strategies, and \$35.36M, including local matching funds, for intercity passenger rail service and rail infrastructure throughout the State, including the return of New York City –Burlington passenger rail service.

§20 – Transportation Alternatives Program: \$5.67M, including local matching funds required for federal funding, was allocated for 18 transportation alternatives construction projects and 24 transportation alternatives design, right-of-way, or design and right-of-way projects. Of these, 12 include environmental mitigation related to clean water or stormwater concerns, or both, and 23 include bicycle and pedestrian facilities.

§15 – Mobility and Transportation Innovation (MTI) Grant Program: Allocates \$1.5M to support projects that improve both mobility and access to services for transit-dependent Vermonters, reduce the use of single occupancy vehicles, and reduce greenhouse gas emissions. Not less than \$1.25M will be used for micro transit projects.

§16 – Zero-fare Public Transit and Service Restoration: \$1.2M one-time public transit monies authorized to allow public transit providers to, as practicable, provide zero-fare public transit on routes other than commuter and LINK Express and restore service to pre-COVID-19 levels.

FUNDS FOR VEHICLE ELECTRIFICATION:

§3 – Electric Vehicle Supply Equipment (EVSE): Funding for EV charging continues to focus on supporting the charging needs of those who are traveling far from where their vehicle is primarily garaged (visitors and transport vehicles), and residents without access to home charging. \$6.25M in Infrastructure Investment and Jobs Act funds was appropriated to the Agency of Transportation (AOT) to install level 3 charging stations along the State highway network per the State's goals and requirements of the federal funds. \$10M appropriated to DHCD for EVSE at multiunit dwellings, workplaces, and public venues and attractions. Look for specific program guidelines and eligibility for EVSE funding programs in the coming months.

§5 – Vehicle Incentive Programs and Expansion of the PEV Market: Purchase incentives are helping to overcome cost and uncertainty barriers to increase the adoption of EVs by Vermonters. The State's PEV purchase, and lease incentives will continue with \$12M in funding. \$3M was allocated to the MileageSmart Program, which provides incentives for used, high-fuel-efficiency vehicles, and to the Replace Your Ride Program. \$50,000 was appropriated to stand up and administer an eBike incentive program.

MISCELLANEOUS TRANSPORTATION PLANNING PROVISIONS:

§4 – EV Charging Network Goals: Updates the State goals for EVSE to have one Level 3 charging port within one mile of every exit of the Dwight D. Eisenhower National Highway System, instead of within 5 miles, and to have a Level 3 charging port within 25 driving miles of another level 3 charging port available to the public, instead of within 50 miles.

§18 – Carbon Reduction Program: Requires the Agency of Transportation to consult with the Vermont Climate Council to ensure that all federal monies that are proposed by the State for expenditure under the Carbon Reduction Program, within AOT's Proposed Transportation Program for fiscal years 2024, 2025, and 2026, are allocated toward projects that align with the recommendations of the Climate Action Plan (CAP).

§19 – Vermont State Standards: Requires the Agency to develop a plan for updating the Vermont State Standards for the Design of Transportation Construction, Reconstruction and Rehabilitation on Freeways, Roads, and Streets to create context sensitive, multimodal

projects that support smart growth.

§25 – Bicycle and Pedestrian Planning Integration Program: Requires the Agency to establish a program to support the continued development and buildout of bicycle and pedestrian infrastructure. The program will provide funding to RPCs through the Transportation Planning Initiative Program, so that RPCs may develop or help municipalities develop prioritized municipal bicycle and pedestrian plans.

S.148 – An Act Relating to Environmental Justice in Vermont: The bill establishes an environmental justice (EJ) policy for the State of Vermont, which codifies that no segment of the population of the State should, because of its racial, cultural, or economic makeup, bear a disproportionate share of environmental burdens or be denied an equitable share of environmental benefits.

It establishes two advisory councils, the Environmental Justice Advisory Council and the Interagency Environmental Justice Committee, to advise the State on environmental justice issues and coordinate the implementation of the environmental justice policy across agencies.

Implementation of the EJ policy will include the creation of community engagement plans by State agencies named in the act, creating definitions related to implementation of the environmental justice policy (including cumulative environmental burdens), development of an EJ mapping tool, and rulemaking for state directed investments to EJ focus populations.

It requires 11 State agencies to incorporate environmental justice into their work by adopting community engagement plans for environmental justice focus populations, establishing a baseline of spending on projects that result in environmental benefits or burdens, providing annual summaries on environmental justice complaints and resolutions, incorporating environmental benefits and burdens into annual spending reports, and publicizing annual reports on actions taken to implement environmental justice.

It allocates \$500,000 for the creation of a mapping tool and support for the Environmental Justice Advisory Council, and \$250,000 for one Compliance Officer and two new positions for Environmental Justice Coordinators in the Agency of Natural Resources to support the work of S.148 in FY23.

S.11 - An act relating to economic and workforce development

The most important provision for municipalities in this much broader bill is the \$40M Community Recovery and Revitalization Grant Program (\$30M in ARPA, \$10M in General Fund). It provides for ACCD administration of grants of up to \$1M to municipalities, businesses, and non-profits for investments that retain and expand existing businesses and nonprofit organizations, attract new businesses and nonprofit organizations, and create new jobs with a preference for projects located in regions and communities with declining or stagnant grand list values. Municipalities can use the program to fund infrastructure and community development that meets certain criteria. The Vermont Economic Progress Council will review all applications. Look for the program application and guidelines in the coming months.

Also, \$15M will go to a Construction and Rehabilitation Experiential Learning Program and revolving loan fund, designed to expand educational opportunities for high school students and adult career technical education students working directly on construction projects identified by career centers, including new and residential rehab projects or commercial projects with a substantial community benefit. VHCB will administer the fund in partnership with a successful regional technical center applicant.

S.33 - An act relating to project-based tax increment financing districts

Effective upon passage, the act limits the number of active districts in the State to 14 at any time, prohibits adjustments to the physical boundaries after approval, clarifies that bond anticipation notes may be used for financing but not as a first incurrence of debt, disallows the remittance of an aggregate education tax due to drop below the original taxable value, and disallows tax

stabilization within the district. It also, requires a report from the Commissioner of Tax by January 2023 with recommendations on allowing a municipality to adopt local options tax without legislative approval so long as the funds collected from the options tax is deposited into a limited-use fund, used for infrastructure, and meets other specified criteria.

S.181 – An act relating to authorizing miscellaneous regulatory authority for municipal governments: Effective July 1, 2022, the act amends and expands municipal authority in a variety of ways that affects planning and development officials.

§1: Authorizes a municipality to adopt ordinances that govern the installation of sidewalks, traffic calming, storm drains, and establishes health and safety standards to protect the public and prevent physical injury to other properties.

§2: Allows municipalities to suspend local charter provisions with voter approval up to three years and revert to general law with certification of the clerk and notification to the Legislative Council.

§3: Enables municipalities to allow non-residents (who still reside in Vermont) to be elected or appointed town officers, so long as municipal bodies with residency requirements be held by a majority of residents, and with exceptions for the legislative body and justices of the peace.

§5: Allows a municipality to change the number of members on appropriate municipal panel with voter approval with details on seat reduction term expirations.

§6: Allows the legislative body to change the number of members to an appointed planning commission, or the voters to approve a change to the membership of an elected commission with details on seat reduction term expirations.

§8: Establishes provisions on the meetings of public bodies affected by an all-hazard event or declared state of emergency, including allowances for not designating or being present at a physical location, modification of notice posting locations, electronic meeting access.

§9-10: Makes similar allowances for Boards of Civil Authority in-person appeals and inspections during a declared state of emergency.

§11: Prohibits public water service disconnections during a declared state of emergency, where the hazard causes financial hardship and other criteria, establishing enforcement powers to the Agency of Natural Resources.

§12: Establishes allowances for municipal deadlines, plans, and license expirations during a declared state of emergency up to 90 days following the end of the declared state of emergency.

§13: Eliminates restrictions on the use of town highway taxes for purposes other than uses voted upon.

S.188 – Cannabis, small cultivation permitting exemptions: Effective upon passage, the act amends cannabis and hemp regulations. Most relevant to planning officials, Title 7 will continue to regulate most cannabis cultivation separately from that of ‘farming’, an agricultural product, or ‘current use’ agricultural land valuation, but it now makes a special and narrow allowance for the licensure of small, outdoor cultivators (not more than 1,000 s.f.) on land that was subject to the required agricultural practices prior to licensure. Such activity will be exempt from Act 250, cannot be regulated by a municipal bylaw in the same manner as a required agricultural practice, is eligible to enroll in the use value appraisal if the land was previously enrolled and still qualifies, and will be exempt from tax on retail sales. The act outlines cultivator licensure requirements, including requirements to screen the cultivation area from public view and limit access to the cultivator and authorized persons at least 21 years old.¹ There are similar changes to the personal home

cultivation; easing the requirement that the area for two mature plants be enclosed and secured and while maintaining the screening and access limitations. Of less relevance to municipal officials are provisions requiring the Cannabis Control Board to report back to the General Assembly in January on recommendations to regulate hemp products, processors, and manufacturers; changes to product regulations; and administrative matters related to licensure. VLCT has recently hosted trainings on rulemaking and the rollout of prior legislation, including municipal authority to create a Local Cannabis Control Commission in communities that have voted to opt in.

Prior DHCD memos summarizing the statutory changes starting in 2007 can be found at <http://accd.vermont.gov/community-development/resources-rules/planning>.

