

Vermont Planners Association (VPA) Legislative Report - May 3, 2021

Happy May everyone! As the legislative session starts to wind down, the prospects are dimming for Project-Based TIF provisions in S.33, and the measure in S.101 to eliminate the duplication of water/wastewater permitting for hookups to municipal systems. These were strongly supported by VPA. We still don't know what levels of funding will be available for local and regional planning but see the Senate report below for a preview of what's likely.

--Faith Ingulsrud

House Bills

Reported by Alex Weinhagen with assistance from Legislative Intern, Daniel Jarrard.

New bills introduced

No new bills with a planning nexus.

Committee discussion last week

S.79 – Rental Registry & Code Enforcement – This bill passed the Senate and is still in House General, Housing and Military Affairs. The committee continues to make progress on the bill, and is discussing amending it to incorporate provisions from other bills (e.g., H.232 equity provisions). The committee will vote on the bill soon – possibly this week.

S.33 – TIF Districts & Project-based TIF – This bill passed the Senate and was discussed and voted on in House Commerce and Economic Development last week. The committee stripped all language on project-based TIFs out of the bill and kept only the changes to TIF districts. Apparently, the chairperson of House Ways and Means said that the committee doesn't want project-based TIF authorized in statute, but is not opposed to having the discussion on a case-by-case basis with interested municipalities. There is concern that municipalities would use this without understanding the full ramifications of getting into a TIF. The irony is that the pilot program for project-based TIF was intended to be less complicated and easier to understand than making an application for a full-fledged TIF district. The gutted bill now goes to House Ways and Means for review. The future of what remains is highly uncertain given that it no longer achieves the principal goal of the bill that passed the Senate. What remains does make some important clarifications to ensure that TIF funds can be used for debt service interest payments for a limited time period.

S.101 – Housing and Bylaw Modernization – This bill passed the Senate and is still in House Natural Resources, Fish and Wildlife after a couple weeks of testimony and discussion. The controversy over sections 7 & 8 of the bill continued last week. These sections would eliminate the duplication in water/wastewater permitting for development that will connect to a municipal water/wastewater system. The committee will likely vote on the bill this week. It remains to be seen if those two sections will remain or be deleted. Stay tuned.

Act 250 Reform – H.120 & H.400/S.112 – The House Natural Resources, Fish and Wildlife Committee took additional testimony on H.120 from a variety of witnesses, and continued their walk through of the proposed criteria changes. The committee heard about river corridors from Rob Evans (VT DEC) and our own Seth Jensen (Lamoille County Planning Commission). They also heard from former E-Board Chair Elizabeth Courtney regarding Act 250's founding "three-legged stool": state planning and land use policy, associated development review criteria, and citizen access and participation in the process. The committee likely will continue taking testimony and having discussions through the end of the session. It's unclear if they aim to vote it out of committee this session, or hold it over and finish their work in 2022.

S.1 - Energy/Baseload Renewable Power Portfolio (Ryegate) – This bill passed the Senate, and passed the House last week with a couple proposed amendments to the Senate version. Now to see if the Senate will concur with the amendments, or if a conference committee will be set up to iron out the differences.

S.25 – Cannabis Revisions – This bill passed the Senate, and is still sitting in House Government Operations. The committee did a walkthrough of the bill with legislative counsel last week, with no witnesses and no other discussion during the week. It looks like the committee will do a deep dive into the bill this week. Depending on their progress, it could be voted out of committee by the end of the week.

S.66 - Transportation/Electric Bicycles – This bill passed the Senate, and passed the House last week with proposed amendments to the Senate version. Now to see if the Senate will concur with the amendments, or if a conference committee will be set up to iron out the differences.

S.102 – Agricultural Designations, On Farm Composting, Food Waste – This bill passed the Senate, and passed the House last week with proposed amendments to the Senate version. Now to see if the Senate will concur with the amendments, or if a conference committee will be set up to iron out the differences.

S.124 - PUC/Misc Utilities Bill (PUC Jurisdiction) – This bill passed the Senate, and was discussed and voted out of House Energy & Technology with a couple seemingly minor amendments. It is now being considered by House Appropriations. It should be headed for a vote by the full House soon.

House Calendar, Week of 5/3:

S. 79 - Rental Housing - H. General, Housing and Military Affairs Committee (GHMAC) will do a mark up and possibly vote on Tuesday (5/4) at 1:00 PM.

S. 101 - Housing and Bylaw Modernization - H. Natural Resources and Fish and Wildlife Committee will meet with Leg Counsel and possibly vote on the bill on Tuesday (5/4) at 1:00 PM.

S. 33 - TIF Districts & Project-based TIF - H. Ways and Means Committee will take testimony on Thursday (5/6) at 9:00 AM.

S. 25 - Cannabis - H. Government Operations Committee will discuss this bill in depth all day on Wednesday (5/5) and Thursday (5/6) with possible mark up and a vote on Thursday afternoon.

H.108 - VT Standards for a Clean Water Act Section 401 Certification – H. Natural Resource, Fish and Wildlife Committee will get a walk through of this bill by legislative counsel on Tuesday (5/4) at 2:00 PM.

Senate Bills

Reported by Sharon Murray, with thanks to Legislative Intern, Daniel Jarrad

Senate committee budget discussions wrapped up last week in an effort to get the three key budget bills voted off the floor and out the door by week's end. The capital bill (H.438) passed the Senate on Thursday; followed by the budget bill (H.439) on Friday in a roll call vote (30-0). Both bills are on their way back to the House for consideration as amended. The transportation bill (H.433), following a final review in S. Appropriations on Friday, is up for a floor vote on Tuesday. While some committees are still taking testimony on proposed legislation, most are now discussing their priorities and schedules for the coming year.

New Bills

S.144 – Restrictive Covenants. This bill would require and establish a process for removing deed covenants that restrict property ownership or occupancy based on race, ethnicity or religion. In S. Judiciary.

S.148 – Environmental Justice. This bill proposes to establish an Advisory Council on Environmental Justice within ANR, to develop a formal state environmental justice policy as applicable to the development, implementation, or enforcement of any environmental law, regulation, or policy, and to advise the state on environmental justice issues. It would also require the development of an “environment justice mapping tool” to measure associated impacts at the local level. The bill as introduced is worth a read if only for its well-researched legislative findings and definitions. Introduced by Senator Ram in S. Natural Resources and Energy last Friday.

Bills on the Move:

H.433 –Transportation Bill. The bill scheduled for a floor vote on Tuesday is a strike-all version of the House bill, re-organized in part by type of investment, but it appears to retain most of the programs and provisions in the House bill, including the VTrans/RPC study of the state's existing transportation programs and recommendations for the development of a

transportation equity framework (Section 2); and proposed site plan and subdivision amendments under Chapter 117(Sections 29, 30).

H.439 – Budget Bill. As of Monday, the FY22 budget bill, as passed by the Senate on Friday, had not yet been posted. As reported in the press, the Senate version of the state’s FY22 budget, in addition to a list of one-time general fund expenditures, allocates about half of the ARPA money coming to the state -- less than that included in the Administration’s proposal, but generally consistent with their spending priorities. We’ll know more next week, as the bill goes back to the House but, from final technical memos reviewed in S. Appropriations last week, it appears to include:

- \$1 million to RPCs for brownfield assessments, to be administered through one RPC selected in consultation with VAPDA (Section G.302).
- \$1.5 million to ACCD (Section G.400), to include:
 - \$650,000 for technical assistance to municipalities on accessory dwelling and small lot development, **and for bylaw modernization grants**, and may also include grants to RPCs; and
 - \$850,000 for grants to RPCs (\$75,000 each) for increased work associated with pandemic recovery.

S.66 Electric Bikes – Up for a second reading in the Senate on Tuesday as amended by the House last week.

In Committee

H.159 – Economic Development (Better Places). S. Economic Development devoted much of their time last week to the review of proposed amendments to the bill passed by the House (committee draft 1.1) to include amendments to DHCD’s proposed Better Places Program that would reduce the maximum grant award from \$50,000 to \$30,000, and specify a required minimum match of 33% of the total, for funds raised through crowdfunding. In lieu of \$5 million in ARPA funding, ACCD would be required to transfer \$1 million of the funding appropriated to the agency in the budget bill (G.302) to the Better Places Grant Fund. As proposed, the Better Places Program and Fund would both sunset on July 1, 2023. Possible committee vote on Wednesday.

H.360 – Community Broadband. S. Finance continued to take testimony on the bill last week regarding the current status and make-up of Communications Union Districts in the state. Scheduled for additional markup and a possible committee vote on Tuesday.

S.109 – Enhanced Energy Savings Act. This bill re-emerged from S. Natural Resources last week as a strike-all of the original version. It still sets the goal to improve the “energy fitness” of 120,000 housing units and to reduce GHG emissions by 2031; and to increase weatherization services to low-income Vermonters through the Home Weatherization Assistance Fund. It calls for the PUC to recommend a thermal efficiency charge to supplement funding for thermal efficiency programs. It also establishes a Weatherization Workforce Group and an Energy

Savings Counseling Group, with associated reporting requirements, Finally, it establishes an Energy Savings Fund to be administered through the Department of Public Service, with an initial appropriation of \$35 million from the General Fund to be allocated to a variety of weatherization and transportation energy savings programs identified in the bill. Discussed In S. Appropriations on Friday.

Senate Calendar, Week of 5/3

H.159 – Community, Economic Development. S. Economic Development, committee discussion, possible vote on Wednesday (5/5) at 8:30 am.

H.360 – Community Broadband. S. Finance, markup and possible vote on Monday (5/3) 12:00 pm or Tuesday (5/4) at 1:00 pm. Review of proposed Brock amendment, possible vote on Tuesday (5/4) at 4:00 pm.