February 27, 2024

Speaker Jill Krowinski  
Majority Leader Emily Long  
Minority Leader Patricia McCoy  
Progressive Leader Emma Mulvaney-Stanak  
Representative Amy Sheldon

Dear Speaker Krowinski, Chair Sheldon, and House Leadership,

The Rural Caucus is a tri-partisan group of Vermont lawmakers that serves to provide a voice for rural communities in Vermont. We understand the importance of serving as responsible stewards of our natural and working lands and the important structure that Act 250 provides for protecting our shared natural resources. The Caucus also understands the urgency of facilitating the development of new housing and climate adaptation measures – especially for our rural communities – to address the statewide housing crisis and changing weather patterns. We appreciate your leadership in developing necessary updates to current land use and development planning and believe that, together, we can deliver equitable, process-driven outcomes before the end of this session that balance the protection of natural resources with the need for housing and increased climate resilience in the state of Vermont. Thank you in particular to Chair Sheldon who came to meet with the Rural Caucus to describe the intent of the bill and take questions early in the 2024 Session.

The Rural Caucus members also appreciate the important work of the Natural Resources Board (NRB), the Vermont Association of Planning and Development Agencies (VAPDA), and the Vermont Department of Housing and Community Development (DHCD) this past summer and fall. These organizations, through three separate stakeholder and public engagement processes, worked hard to develop recommendations for updating land use and development planning that were provided in three legislatively mandated reports. These reports reach important consensus on overarching goals that include encouraging growth, protecting natural resources, increasing the state’s housing stock, modernizing our designation programs, ensuring consistency between municipal, regional, and state land use planning policy, and establishing an equitable and robust process of public engagement for regional planning and land use designation.

The Rural Caucus believes that, because of the process of stakeholder and public engagement through which they were developed and the consensus they reflect, it is important to adhere to the recommendations provided in these reports.
The Rural Caucus calls for the following additions to H.687:

- **Establish a Rule Making process for Tier 1, 2 & 3 definitions:** the NRB should conduct a rule making process to develop tier definitions. This should be preceded by a significant public engagement process to educate on intent, gather input and receive feedback on the proposed Tiers from a broad spectrum of Vermonters. The process should follow the timeline recommended in the NRB study (draft rules by 12/31/25, adopted by 07/01/26).

- **Act 250 Equity Advisory Group:** Developing land use maps for Act 250 jurisdiction necessitates an equitable and robust process of public engagement. An Equity Advisory Group should be established to provide guidance and feedback to the NRB and RPCs on strategies for engaging Vermonters in the public process for land use plans and designations and recommending any additional programs, incentives, technical assistance, or funding needed to ensure equitable engagement and address any environmental justice concerns.

- **Funding for Regional Planning Commissions:** The current proposals task the RPCs with taking the lead on regional land use planning, mapping, public engagement, and assisting municipalities in preparing applications for land use designations. The RPCs must be provided with funding for the technical assistance and administrative capacity needed for this substantial and important work.

- **Regional Planning Commission Modernization:** As we ask RPCs to do more, we must ensure that they are statutorily enabled and strategically positioned to meet ongoing and emerging state and municipal needs. Any bill should include a working group composed of diverse stakeholders including the Vermont League of Cities and Towns and Agency of Administration to review and make recommendations regarding RPC governance, engagement, funding, programs, service delivery, equity, accountability, and staffing.

- **Outreach and funding for municipalities without zoning:** To help all towns address future land use changes, address housing shortages, and increase climate resilience, we should increase funding for the municipal planning grant program and give priority to communities that do not have zoning and bylaws. We should also prioritize state capital investment planning as recommended in the VAPDA Regional Planning Report. This should be accompanied by a targeted outreach campaign to towns without zoning and bylaws.

- **Interim Act 250 Exemptions:** The need for housing is immediate. We must act now. The proposed updates to land use and development planning will take years to implement. In the interim, we should expand the narrow exemptions included in the HOME Act until 2027.

- **Exemptions for Forest Processing and Accessory On-Farm Businesses:** As recommended by the NRB Report on Act 250 Jurisdiction over Agricultural Businesses and the NRB Necessary Updates to Act 250 Study, the bill should exempt forest processing enterprises and accessory on-farm businesses from Act 250 permitting as set forth in the provisions of H.128.

- **Roadside relocation of existing utilities:** Climate change is increasing damage to our utilities, particularly those located in the woods or wetlands. We need to move existing critical infrastructure to the ROW where it can be more easily and cost effectively maintained and repaired to ensure continued resiliency and reliability. Successful projects have already been completed and shown to benefit customers in a timely way since the exemption was passed last session. This is a ranked priority of the 2024 Rural Caucus and includes: repeal of 10 V.S.A. §
6081(y), and making roadside relocation of existing utilities an allowable use under Vermont Wetland Rules and Regulations.

**The Rural Caucus does not support the following elements of H.687:**

Every municipality should have an opportunity to determine if and how they want to grow, and as such, should have an opportunity to pursue Tier 1A or Tier 1B status by implementing smart growth principles. Therefore, the majority of the Rural Caucus members will not be able to support a bill that includes the following:

- Unnecessarily restrictive capital, infrastructure and staffing requirements for municipalities to receive land use designations.

The Rural Caucus also heard from proponents and opponents of moving appeals to a reconfigured Environmental Board. While we support the move towards a professionalized board which includes someone representing the economic interests of the state, including rulemaking and developing more consistency throughout the Act 250 system, we can not support a bill that

- Removes the ability of Vermonters to seek permit appeals in their entirety from the Environmental Division of our Court System.

The bill contemplates significant changes to land use planning and mapping; we can not support a bill that:

- Adds significant workload to towns and RPCs without funding the technical assistance and administrative capacity needed to do this work.

**Reflections on the HE&E committee process:**

Though we must act now to address the impacts of climate change and the urgent need for housing, it requires prudent evaluation of the historic changes to the structure and governance of land use and development planning in Vermont that these solutions would bring. The Rural Caucus members will support a bill that not only incorporates the changes outlined above but that has also given these changes the consideration they require by the full committee prior to consideration by the House. In the few weeks left before crossover it will be necessary for significant committee discussion, on-the-record revision, and continued input from the involved stakeholders such as the RPCs, NRB, VLCT, and land owners enrolled in Current Use. It’s critical that these discussions include the financial impacts of the bill including the cost to the state and the cost to Vermonters.

Additionally, we believe it’s essential for the public to have an opportunity to weigh in during the policy development phase. Therefore, we are asking for a joint public hearing hosted by all the committees considering Act 250 bills.

As a caucus, we are appreciative of your leadership and willingness to work together as we collectively seek a path forward for meaningful, equitable, and balanced updates to land use planning and development.

Thank you for your consideration.
Respectfully submitted on behalf of the Rural Caucus,

Rep. Lisa Hango, Co-Chair
Rep. Laura Sibilia, Co-Chair
Rep. Katherine Sims, Co-Chair
Rep. Monique Priestley, Clerk
Rep. Julia Andrews
Rep. Ashley Bartley
Rep. Scott Beck
Rep. Matt Birong
Rep. Lucy Boyden
Rep. Erin Brady
Rep. Carolyn Branagan
Rep. Tesha Buss
Rep. Melanie Carpenter
Rep. Heather Chase
Rep. Paul Clifford
Rep. Esme Cole
Rep. Allen Demar
Rep. Carl Demrow
Rep. Caleb Elder
Rep. Bobby Farlice-Rubio
Rep. James Gregoire
Rep. Jim Harrison
Rep. Mark Higley
Rep. Jay Hooper
Rep. Larry Labor
Rep. Kate Lalley
Rep. Josie Leavitt
Rep. Jed Lipsky
Rep. Dan Noyes
Rep. Kelly Pajala
Rep. Henry Pearl
Rep. Tristan Roberts
Rep. Brian Smith
Rep. Heather Surprenant
Rep. Chris Taylor
Rep. David Templeman
Rep. Chip Troiano
Rep. Terri L. Williams