

2024 Legislative Preview

Welcome to the new legislative session!

Because 2024 is the second year of the biennium, there will be no pomp and circumstance of swearing in the five statewide constitutional offices, and the session will be quick to start on

January 3rd. All bills that were introduced last year but did not pass are still “alive” – that is, they may still be taken up, debated, and passed. However, many of them will be reintroduced with a new number and perhaps new twists or tweaks. All bills this session must be passed this year or they will “die on the wall,” as is said in committee rooms.

We don't expect any change to the committee chairs; in fact, some committees have already been meeting. Most pre-session committee meetings have focused on the response to and the recovery from the summer floods. Here is a sampling, if you just can't wait until January to watch YouTube on double speed.

- **Senate Committee on Economic Development, Housing and General Affairs**

Testimony on Summer Flood Impacts, Response, and Recovery:

[Senate Economic Development 08-15-2023 11:00 AM - YouTube](#)

[Senate Economic Development 08-15-2023 12:45 PM - YouTube](#)

[Vermont Senate Economic Development Housing and General - YouTube](#)

[Senate Economic Development 2023-10-19 12:30pm - YouTube](#)

- **Senate Committee on Natural Resources and Energy**

Testimony on Flood Impacts, Climate Change, Landslides, Buyouts, and Resilient Communities:

[Senate Natural Resources & Energy 2023-12-05 1:00 pm - YouTube](#)

[Senate Natural Resources & Energy 2023-12-05 3:20 pm - YouTube](#)

Keep in mind that you can always use the Committees tab on the [Vermont General Assembly website](#) to find the names and members of all legislative committees.

We expect the response to the 2023 summer floods to be front and center at least in the beginning of the session, and we are working hard to ensure that affected members' needs are addressed.

The requests we have made to legislators interested in helping are:

- Provide relief to municipalities for tax abatement of flood-damaged properties.
- Revise the 50 percent substantial damage threshold and include full municipal and education tax reimbursement.

- Provide affected municipalities with all local matching funds required for FEMA Public Assistance projects regardless of Emergency Relief and Assistance Fund rating.
- Award revenue loss funding to affected municipalities to fully recover from this summer's floods.
- Fund the Flood Resilient Communities Fund, continuing the municipal-level mitigation work that is not eligible for FEMA.
- Support better emergency preparedness coordination at the state and local levels.

Please open each entry below to learn more about how the session is starting and how VLCT will support your legislative interests.

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Uncertainty Is In the Air

The air in the Statehouse feels a little different going into this legislative session. Whether it's an uncertain economic picture, a return to more modest state revenue forecasts, or perhaps a looming property tax increase, this year will be different. Most of the COVID-19 stimulus money has already worked its way through the system, large state revenue surpluses are expected to dwindle, and the federal spigot has tightened.. As the Vermont Legislative Joint Fiscal Office stated in their All-Member Legislative Briefing on December 1, "Requests for spending will likely outpace available revenues and to produce a balanced budget, the General Assembly will need to make difficult choices". There simply won't be the same resources we have become accustomed to in the last few years.

You can [learn more here](#) about the economic picture, which features:

- a state revenue forecast from Thomas Kavet, Vermont State Economist & Economic Advisor of the Vermont Joint Fiscal Office, and

- a federal revenue forecast from Marcia Howard of Federal Funds Information for States.

The other uncertainty or elephant in the room (or should we say Statehouse), is whether Governor Scott will run again or step aside. This question will be asked at every one of his press conferences, and his answer will likely be the same: he'll let us know before the end of the session. Why does this matter? It will influence whether he cooperates with the legislature, meeting them halfway on shared priorities, or just says No with a veto. His desire to stay or go will affect his priorities and his intentions to defend what he cares about or fight for what he wants. Many will try to read the tea leaves and make their own political moves this session based on what they assume the governor will do. The legislative leaders will factor this into their strategy and end game for the session.

Reports, Studies, and Task Force (Oh My!)

In the [VLCT Fall Advocacy Update](#) we updated readers on a number of summer study committees, reports due to the legislature, and the creation of a new task force. The conclusion and recommendations provided in these reports and studies will, in most cases, be of great interest to the committees of jurisdiction. Resuming unfinished work or items punted from last session should start with understanding what is in these reports. As of the writing of this Legislative Preview, only the report from the Building Energy Code Study Committee has been submitted to the legislature. Most of the others are due by January 15. Below is quick update of where things stand.

1. **The Natural Resources Board (NRB) is conducting an Act 250 modernization study**
(per Act 182 of 2022 and Act 47 of 2023)

The [draft report](#) was released on Dec. 7, and a public meeting to discuss the recommendation was held on Dec 14. Representatives Buss and Sibia submitted letters

requesting changes to the length of time to reach Act 250 decisions as well as more transparency and consistency in the process. The Rural Caucus submitted a letter requesting more clarity and consideration for rural working lands and what defines "rural sprawl". These letters as well as meeting agendas and minutes can be found on the NRB study [website](#).

From reviewing meeting minutes, conferring with VLCT members who sit on the advisory council for this study (City of St. Albans Planning Director Chip Sawyer and Montgomery Selectboard Member Charlie Hancock), and reviewing the [draft report](#), it is clear that members of the council creating this study are trying to balance the desire to exempt more areas and locations from Act 250 (where exemption makes sense) with their feeling that other areas of the state need increased protection from development. They are focusing on recommending a move to a three-tiered system, in which:

Tier 1 would include areas appropriate for Act 250 exemption,

Tier 2 would include areas where current Act 250 jurisdiction is appropriate, and

Tier 3 would include areas that need more Act 250 protection.

The draft study also references the need for Act 250 reform to work and be implemented in coordination with the next three studies highlighted below. As usual, the devil will be in the details. One concern expressed by the NRB has been how the reduced Act 250 fees (the result of expanding the exempt areas) will be made up by the General Fund or other sources.

2. **The Vermont Association of Planning and Development Agencies (VAPDA) was directed to propose a framework for delegating Act 250 administration to municipalities that have the capacity to do so** (per Act 47). VAPDA has produced a draft [Municipal Delegation Framework Report](#) on which VLCT will be offering comment. More information can be found on the [VAPDA website](#) and in the VT Digger article ["Planners Propose More Local Control over Act 250"](#).

3. **VAPDA is also poised to release its report on future land use in Vermont** as directed per Act 47: “to conduct a study to better integrate and implement municipal, regional, and State plans, policies and investments by focusing on regional future land use maps and policies”. VLCT has submitted comments to the [Draft Study](#) and is pleased to see the direction of the report, which recommends that the legislature direct the regional planning commissions to build an official statewide land use mapping tool that could serve as a long-needed way to identify where local and regional plans permit growth and restrict growth.

4. **The Department of Housing and Community Development (DHCD) is reviewing the state's five designation programs: Downtowns, Villages, New Town Centers, Neighborhood Development Areas, and Growth Centers.** Entitled [Designation 2050](#), the review process aims to evaluate, improve, and propose changes to the programs. DHCD has hired a contractor, held listening sessions, and held a statewide summit. You can find a sneak peak of [Draft Recommendations](#) as the study work winds down and final recommendations are produced for delivery to the legislature. Early rumors suggested the final study delivery date could be delayed by a few weeks beyond January 15.

5. **VLCT participated in the Building Energy Code Study Committee** in accordance with charges laid out in Act 47 to determine how to improve compliance with residential and commercial building energy codes. The committee (led by the Department of Public Service and chaired by Senator Chris Bray) met ten times over the summer and fall of 2023 and issued [their December 1 report to the legislature](#). The report makes several recommendations and includes dissenting opinions from various stakeholders. Of note to municipalities is one of the recommendations under “Improve the process for filing and tracking energy code certificates”: *Eliminate filing certificates in town records and the notarization requirement.*

We will monitor the discussion in the legislature around all the recommendations that affect municipalities, so be sure to let us know your thoughts or concerns.

6. **The state's transportation bill (Act 62) directed the Vermont Public Transportation Association to provide the legislature with recommendations on funding sources for non-federal match for public transit providers.** The "Non-Federal Match Study" contract was awarded to Steadman Hill Consulting. The goal is to recommend revenue streams for non-federal funding (i.e., state and local matching funds) for public transit services. The report is due at the end of December. VLCT has actively participated in the study and has attended all regular meetings of the committee. Municipal funding contributions to public transit vary from town to town, and we have made the case that increased or new contributions from local governments will be challenging. Throughout this study process, VLCT has advocated that municipalities need more resources and support for local transportation funding in general, and if we are successful in receiving more funding, municipalities will be more likely to contribute local match to public transportation.

The report will propose a variety of new revenue sources to fill the large budget deficits of public transportation providers. These deficits are only expected to grow in the coming years. However, the report will also show that Vermont already provides unrivaled support for public transportation among rural states. In fact, our level of support is nearly 13 times the national average.

7. **VLCT continues to participate in the Overweight Truck study being conducted by Cambridge Systematics** per Act 41. VTrans was directed to consider adding a new special annual permit to allow overweight trucks (more than 99,000 pounds) to operate on Vermont's road network. Cambridge Systematics is researching how overweight trucks are managed and regulated in other surrounding states and could

weather jurisdictions and will be providing recommendations for Vermont. VLCT has represented municipal concerns about the negative effects of overweight trucks on town infrastructure, the lack of adequate enforcement of current state regulations, and the desire for rural communities to support the forest, granite, and other natural resource industries that rely on heavy trucks. Please let us know if you have strong opinions on the matter.

8. **The legislature directed the Department of Health to conduct a study on coordinating local and regional emergency medical services.** They have hired Emergency Management Matters of New York to assist in the study. Please visit the [Vermont Regional Emergency Medical Services Coordination Study](#) website to stay updated and to share your thoughts.

9. **The Public Safety Communications Task Force was established** in June of 2023 to oversee and manage all phases of the development, design, and implementation of a statewide public safety communications system. Two elected municipal officials were appointed to the task force: Barre Town Selectboard Member Paul White and Rutland City Mayor Michael Doenges. In addition, several municipal public safety officials sit on the task force. Please visit the [Public Safety Communications Task Force](#) webpage to stay up to date on the progress.

10. **The Department of Public Service (DPS) will report on how to increase and encourage municipal participation in the siting of telecommunication facilities,** commonly known as the “248a” process. Please visit [Your Voice Matters: Input for Vermont's 248a Process](#) for updates on the report. The public comment period has closed, and we will be watching for the report and following up on any concerns for

communities.

11. **The legislature instructed the Joint Fiscal Office (JFO) to study [“Financing Public Infrastructure Improvements in Municipalities”](#).** JFO issued a Request for Proposals in October to help them with this work, but no vendor responded. At last check, the JFO was considering doing this work themselves.

12. **Act 53 requires the [State Ethics Commission](#) to submit a proposed municipal ethics framework** to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations on or before Jan. 15, 2024. The authorizing language states: “The report shall include a summary of the issues related to creating a framework for municipal ethics in Vermont and a summary of any relevant input received by the Commission in drafting the report. The report shall include specific recommendations on how to best provide cities and towns with informational resources about basic ethics practices. In drafting the report, the Commission may consult with any person it deems necessary to conduct a full and complete analysis of the issue of municipal ethics, including the Vermont League of Cities and Towns and the Office of the Secretary of State.”

VLCT has participated in listening sessions and completed the available [survey](#). The last listening session was held on November 28; however, **the survey is still available, and we encourage members to complete one as soon as possible**. Our members obviously want to uphold the highest ethical standards, but we remain concerned about

who defines what standards are best for municipalities,

how the standards will be enforced, and

who is best equipped to hold municipalities accountable – local officials and voters?

Or state agencies?

Please read [the VLCT letter](#) from Executive Director Ted Brady to the State Ethics Commission. VLCT will follow the process and will seek member feedback throughout it – and will be engaged in the recommendation when the report is released.

Your Top Priorities for 2024

VLCT has been working hard to understand what matters most to our members this year. Every year, we hear of scores of issues that municipalities would like us to tackle in the legislature. What do they all have in common? The need for increased revenue and capacity at the local level. Increasing revenue and capacity is foundational for the success of Vermont Municipal Government. VLCT's 2024 Legislative Priorities are focused on and grounded by this overarching need. Please read our newly approved and released [2024 Legislative Priorities](#).

You Know What Needs to be Fixed

In your day-to-day work, you identify inconsistencies and conflicting laws governing local government responsibilities. While fielding your questions and helping you interpret often confusing or conflicting Vermont statutes, the attorneys of VLCT's Municipal Assistance Center have compiled a ["Top Ten" fix list of technical corrections and common-sense changes](#) related to Vermont statutes. We will present these relatively easy fixes to the legislature throughout the session and whenever opportunities arise.

As with larger issues, we will count on you to help us as we help the legislature understand the practical realities of delivering successful local government. **When we issue an alert or other call to action, we hope you will be willing and able to write or testify in person about these requested changes and other municipal priorities.**

Ch- Ch- Ch- Changes

As you know from the "Changes to VLCT Advocacy Staff and Titles" section in [this fall's Advocacy Update](#), we have some new players and therefore a new advocacy game plan. As always, Ted and I will be focused on the major issues and topics you care most about, delivering successful outcomes for our members, and spending the time and resources necessary to achieve these goals. To help us concentrate on that, we are securing some outside advocacy, lobbying, and communication assistance for this session to help keep members informed on the daily and weekly Statehouse deliberations and decisions.

VLCT staff will keep you informed of the topics most important to our members in new real-time webpages that will track the progress of these issues separate from the *Weekly Legislative Report*. The *Weekly Legislative Report* will still be delivered every Friday afternoon as a collaborative effort with our lobbying consultant. We also hope to provide you with an advanced look at the legislative week(s) ahead, whether in writing or through our biweekly Advocacy Chats, so we can all plan well for addressing the issues you care most about.

Knowing what they say about "best laid plans", we will be ready to adjust this new approach on the fly. We always welcome your feedback and participation because, much like local government, influencing the legislative process is a participatory sport, and you are all players.

Please start this new season by joining Ted and me for our first Advocacy Chat, the [preview of the 2024 legislative session](#) at 11:00 AM on December 18, 2023.

Let the games begin!

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