WLR Feb 9: Affordability, Housing, Public Safety, Renewable Energy and more

Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026

Your input is needed! Legislative Alert: Legislature May REQUIRE Hybrid Meetings. Take our **quick survey** (so that we can share your concerns) and write your legislators about this bill. **Learn more**.

Share Your Concerns

Read more about what happened this week below, and don't miss VLCT's update, **First Flood Relief Bill Has Been Signed Into Law,** on our Advocacy Updates: Climate Change and Disaster Response page.

This week VLCT provided testimony to:

- House Government Ways and Means **Regarding Municipal Tax Sales** (VLCT also testified on this issue in January)
- House Government Operations **Regarding Abatement and Classes**

The content of the Weekly Legislative Report *below is provided by our advocacy partners. For more detail and commentary from VLCT Advocacy staff, visit the* ***Legislative Reports*** *webpage to access our topical Advocacy Updates.*

Affordability Concerns Omnipresent: May or May Not Be on the Ballot March 5th

As we've previously covered, Vermont will face skyrocketing property rates of over 20% next year due to the culmination of factors, not the least of which is the unintended consequences of the state's changes to per-pupil weighting under Act 127 (2022).

- Legislators this week came to an agreement that the **cap needs to go and that they will pursue legislation to allow towns to push their**

Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026

school budget votes out.

- This is going to be messy. Budgets have been warned, ballots have been printed, and inertia has already been built towards March 5th Town Meeting Day.
  - Some people might have already voted on their budgets, some don't want to backtrack, and some feel no need to change their spending trajectory despite the statewide consequences or legislative peril.

- To replace the 5% cap, House lawmakers are looking at a one-cent-on-the-dollar property tax discount for the few districts that the cap was intended to help. The discount would phase out over five years.
- As was said earlier, the 5% cap is most of the problem, but not all of it. Vermont still is the second most expensive k-12 system in the country, and the same pressures driving inflation everywhere are pushing up the cost.
- Legislators also heard an overview of the School Construction Aid Task Force Report, which identified immediate to long-term needs totaling $6.35 billion over 21 years. Recommendations included efficient use of funds, alignment with educational priorities, and annual funding sources for ongoing support, with caution regarding potential impacts on the Education Fund. There is a new push to build newer and fewer schools.
- **You need to read last week's coverage of the scramble legislators are currently in to find new tax revenue.**

Building Bridges or Battlegrounds? Housing Policy About Development for Some, Environmental Protection for Others

Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026

If you've been following along with Vermont politics and keeping up with your average Vermonter on the street, you've probably heard ad nauseam that housing is the number one issue facing Vermont, so you'd rightfully expect that legislators are working to lift regulations that are hindering housing development. You'd be correct if you were talking about the Senate, however, very wrong if you were talking about the House.

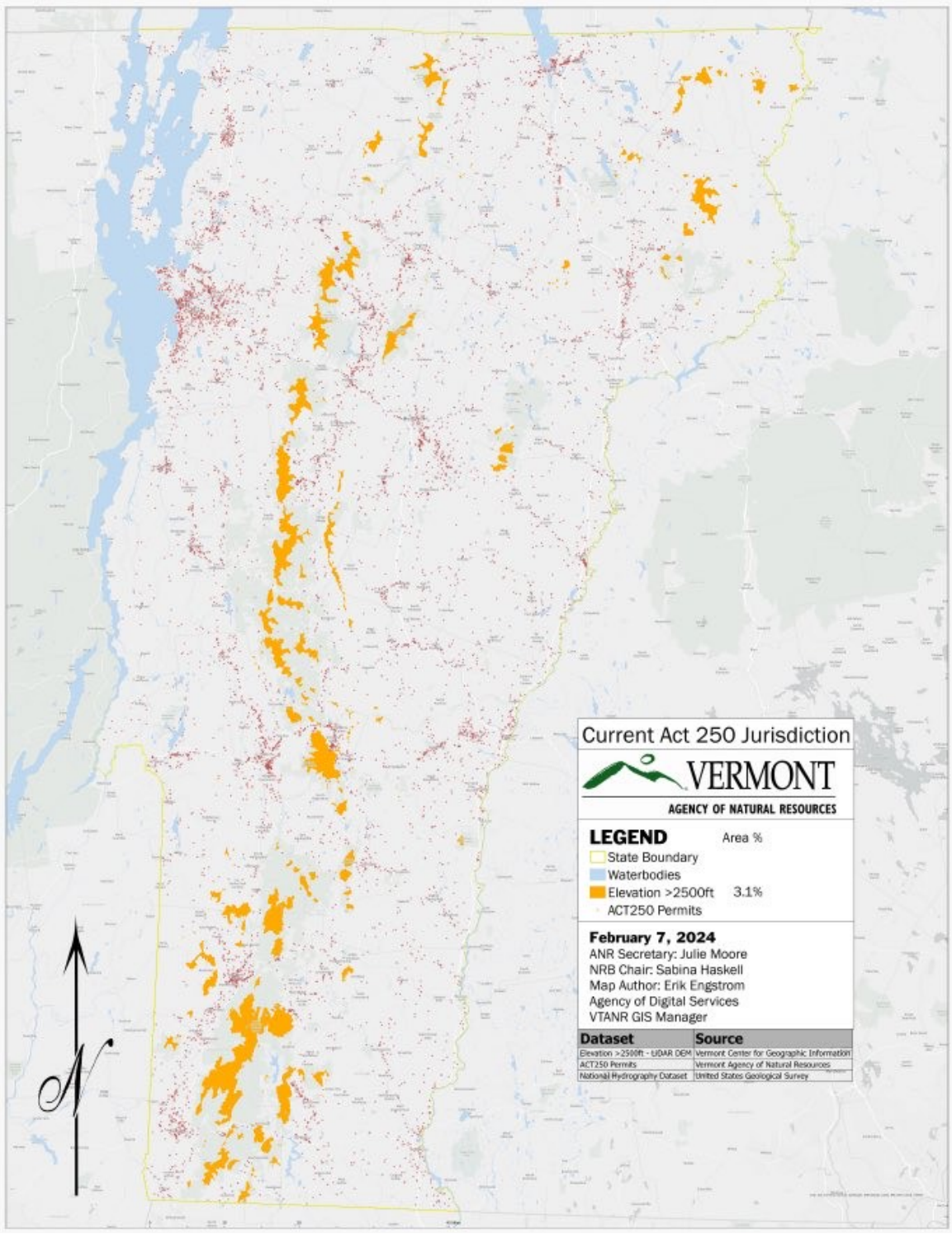
- There are three bills moving through committees around Act 250 and housing; S.208 (Senate Natural), the BE Home Act (Senate Economic Committee bill), and H.687 (House Energy & Environment).
    - The bills all have a three-tier system of jurisdiction following the studies done this summer and fall, however, they differ greatly on their scope and emphasis.
- Despite having a tripartisan housing bill H.719 in its committee, the House Energy and Environment Committee is dedicating its time to H.687, which would dramatically increase the jurisdiction of Act 250.
- This was the target of Governor Scott's angst this week when he took issue with the legislation's expansion of Act 250 jurisdiction to over 90% of the state and potentially hindering housing development. He used his weekly press conference to emphasize the urgent need for regulatory reform to facilitate affordable housing construction.
    - Scott highlighted and urged legislators to prioritize H.719, which has a tripartisan coalition behind it and includes changes his administration has proposed for Act 250, zoning, appeals, and tax incentives.

Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026

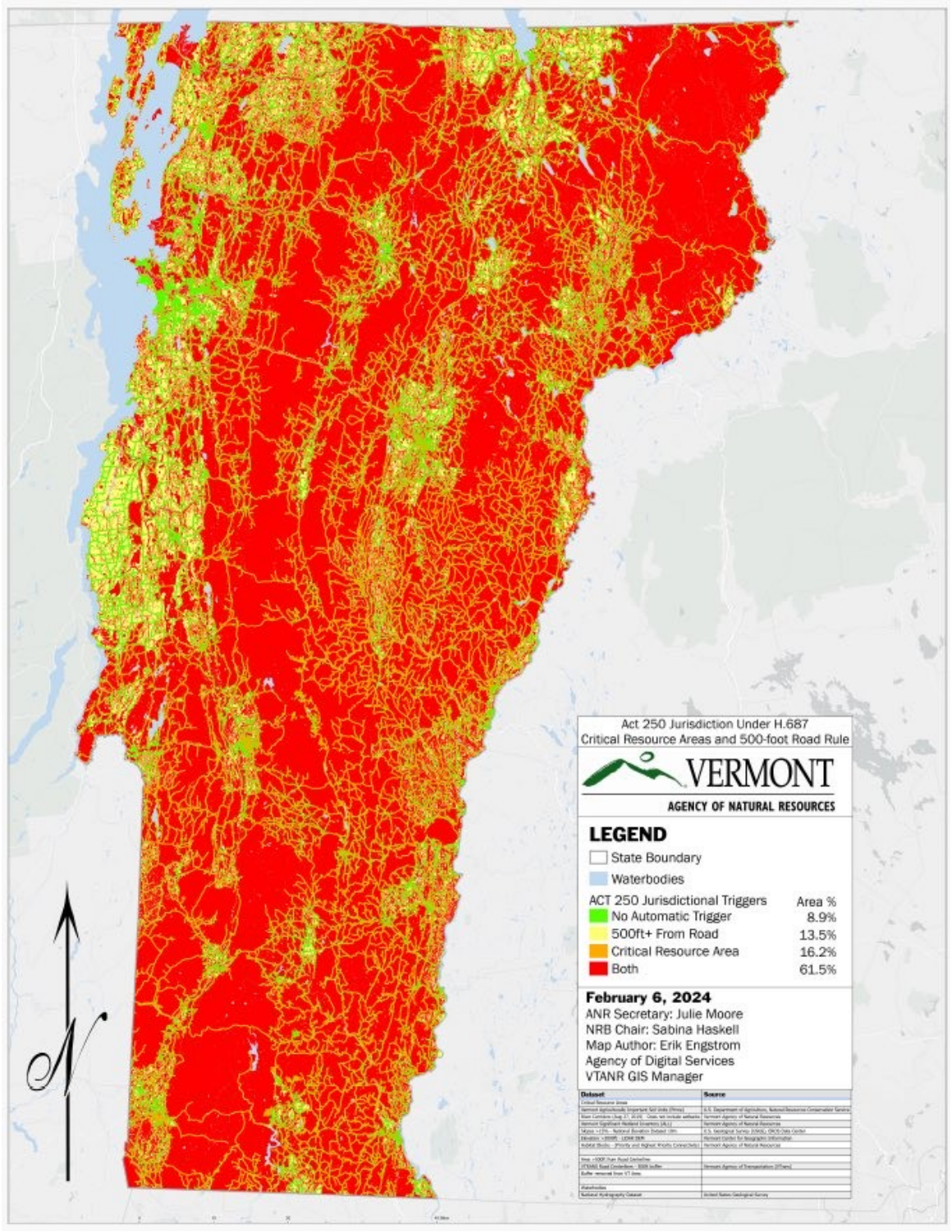
- Meanwhile, the Senate Committee on Economic Development, Housing, and General Affairs proceeded to finalize their legislation, the BE Home Act, which looks more like H.719. The Committee bill focuses on housing-related matters, including building codes, zoning, parking, and affordable housing.
    - They'll pass this legislation around the time this update goes out, so we'll have a deeper dive into the legislation next week.

In the meantime, here is an overview of the legislation previously presented to the committee.

Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026



Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026



Public Safety Policy Everywhere, But No Consensus Yet

Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026

There is discussion in many committees, ranging from the obvious in the judiciary committees around retail theft, firearms, and auto theft to the Senate Health and Welfare Committee, where they are discussing forensic facilities for those committing crimes with mental health issues. Yet, to an observer, it can feel rather frustrating that such an urgent issue has still not developed a consensus.

- This week, the Senate Judiciary Committee exemplified the division when discussion around S.209, a firearm bill, strayed into the Governor's request to postpone the "raise the age" law previously passed due to staffing issues in the relevant departments.
    - You may remember that in coverage of the Governor's budget address, he advocated for repealing the **"raise the age**" legislation, which delayed the age for offenders to be treated as adults, which he had previously signed, calling it a mistake.
    - This highlights the obvious: while he's asking to postpone temporarily, he'd be fine postponing indefinitely.
    - Legislators are uneasy about undoing this work from a previous biennium and have already postponed the implementation. They also pushed back that the relevant funding to implement the program isn't in the Governor's own budget.
    - This touches on an major crux emerging in the disagreements between the democratic legislature and the republican governor around public safety; the Governor is not providing funding in his proposed budget for the increased demands he has for public safety. This includes more money for the corrections system as well as for more Deputy State's Attorneys to prosecute cases.

Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026

- The Senate Judiciary Committee is also at work on S.58, which would increase the penalties for trafficking and dispensing or sale of a regulated drug with death resulting.
- On the House side, the House Committee on Judiciary continued to hear pushback on H.534, their retail theft bill, and continued work on H.645, which would expand the scope of restorative justice programs.
- Meanwhile, the House Committee on General and Housing continued their discussion around the **homeless bill of rights** with their legislative counsel echoing the concerns of witnesses such as the Lake Champlain Chamber that their language around **"harmless activities associated with being homeless being far too vague as some common laws affected might include no panhandling, camping ordinances, no loitering, public urination, and no trespassing.**
    - Some advocates have **celebrated the legalization of public urination** during testimony, and counsel concurred they would likely be doing that as drafted.

Renewable Energy Standard Advances

The House Environment and Energy Committee has advanced a bill aimed at amending the state's Renewable Energy Standard.

- The committee passed it with standing, disagreeing with the Public Service Department's $1 billion estimate for total infrastructure expenses linked to the expansion of in-state and regional renewable energy.
- The bill amends the RES to;

Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026

    - Require new in-state renewable procurement to rise to 20% by 2030
    - The overall renewable energy target was set at 100% by 2030 (previously 75% by 2032).
    - Eliminates group net metering, despite protests from nonprofit housing developers who advocated for keeping the program available and were ultimately afforded a stakeholder process to devise a compromise program.
- The bill excludes large hydroelectric power from the increasing RES requirements, maintaining current levels of purchased Hydro-Quebec power. New biomass electric generation and nuclear generation, except for existing contracts, are also prohibited.

Data Privacy Bill Affects Everyone

The House Committee on Commerce and Economic Development devoted time this week to H.121, which aims to enhance consumer privacy with draft 6.1, which draws on Connecticut's SB6 and SB 3. The bill has many sectors concerned, including non-profit businesses.

Here is a look at some of its key components:

- Data Level Exemptions: The bill emphasizes data level exemptions, shifting away from entity and sector exemptions. This could impact how your business handles and processes data.

Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026

- Private Right of Action: The legislation introduces a private right of action, allowing affected parties to seek legal recourse. Notably, entities have an opportunity to cure violations before facing legal action.
- Consumer Rights: Vermonters will have enhanced rights concerning their personal data. It includes the right to correct inaccuracies, request deletion, and opt-out of specific data uses, impacting targeted advertising and data sales.
- Controller Obligations: Controllers are required to adhere to data security practices, provide clear privacy notices, and limit data collection to what is necessary. Compliance with these obligations may require adjustments to businesses' current practices beyond what is currently expected with GDPR and other regulations.

Notably, the Committee heard from their former legislative counsel, David Hall, now Director of the Business Services Division at the Vermont Secretary of State's office. He highlighted the complexities of transitioning to a new vendor for data broker registration and cautioned about moving too fast to implement. The Committee remains very committed to this legislation.

Testimony outside of this predominantly centered around the inclusion of a private right of action (PRA) in the proposed data privacy legislation, with concerns raised about potential economic implications and the effectiveness of enforcement mechanisms. The State Privacy and Security Coalition cautioned against the PRA, citing examples from other states where settlements favored trial attorneys over consumers. While the proposal includes a right to cure before filing a PRA, businesses and nonprofits expressed worries about facing burdensome legal claims. Interest groups generally supported the bill's aim but sought clarified definitions and

Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026

alignment with existing statutes.

Emma Paradis from Common Good Vermont highlighted the resource-intensive nature of compliance for nonprofits and advocated for clear guidance. The committee agreed to retain the PRA in the proposal but plans to address concerns by updating the draft, including eliminating entity exemptions, adjusting enactment dates, and potentially forming an oversight committee. Deliberations are expected to resume next week, with the aim of advancing the bill within the following two weeks after addressing budgetary matters.

Elsewhere In The State House

Hundreds of hours of committee discussion each week culminate into our advocacy update, so not everything makes it into the overall update; however, we often cover what is left on the cutting-room floor here for our most dedicated readers.

- Read updates from Week 1, Week 2, Week 3, Week 4, Week 5 and the last session's recap.
- Town Meeting day is March 5th, less than a month away, and aside from the questions around if a 20% increase in school taxes will come of these votes, Vermont's biggest municipalities setting March votes on nearly $60 million in capital projects. Read more via VTDigger here.
- The Senate Finance Committee discussed S.182, which **proposes holding general contractors responsible for harm caused by subcontractors if not covered by the subcontractor's liability**

Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026

insurance prompted by a 2021 incident involving a utility. The Committee heard concerns from the Department of Financial Regulation about the bill increasing costs and decreased availability which left the bill sponsors, who were trying to aim more narrowly, to suggest exploring alternatives such as surety bonds or notifications about lapses in subcontractor insurance.

- S.160 was signed by the Governor this week. The bill will reimburse municipalities for certain state education property tax payments if they grant property tax abatements to property owners for damage caused by flooding.
- The **Budget Adjustment Act passed the Senate this week**, with some acrimony in the Senate as a debate played out around using a measly 3.5 million from cannabis taxes for after-school programming, which exposed some of the fault lines in the upper chamber by a vote of 18 to 10.
- The House Commerce Committee discussed H.708 this week, which proposes adding forgivable loans to the **VEGI program** and removing its sunset provision, which represents the main economic development focus for the year.. They heard the proposal for the forgivable loans due to complaints about VEGI's complexity for small businesses and offers a choice between traditional grants and forgivable loans, with concerns about repayment mitigated by VEDA's involvement. VEDA expressed no interest in filling this role.
- Governor Phil Scott and the Vermont Department of Economic Development (DED) this week announced the launch of the Rural Industry and Development Program (RIDP) to i**ncrease the amount of move-in ready industrial space** in an effort to shorten the timeline for the permitting and building of sites that businesses can confront when

Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026

moving to, or relocating within Vermont. Read more.

- This week Governor Phil Scott, the Department of Economic Development, and the Vermont Economic Development Authority (VEDA) announced the first round of Venture Capital Program investments thanks to Vermont's State Small Business Credit Initiative (SSBCI). The Venture Capital Program is allocating nearly $29 million to venture capital funds to help Vermont entrepreneurs and business startups. Read more here.
- **Full disclosure:** The Senate voted in January to require its members to provide more information about their personal finances and potential conflicts of interest. VTDigger has now added that info to its searchable, sortable database. Find that here.
- **At the Federal Level:** The Senate Committee on Commerce, Science, and Transportation approved a Federal Aviation Administration (FAA) Reauthorization bill that adds flights to an already at capacity Reagan National Airport (DCA). ***These flight changes will increase flight delays, cancellations, and congestion at DCA, which will likely have detrimental effects on Burlington International Airport.*** The House of Representatives voted down any changes to the DCA slot and perimeter rules on a strong bipartisan basis.
- Join the VT Department of Housing & Community Development and statewide partners for this interactive event is for novice and emerging small-scale home builders seeking to start developing new and renovated homes in Vermont, community development professionals, and local leaders looking for new housing tools to support Vermonters, and anyone interested in innovative solutions to Vermont's housing crisis. REGISTER HERE.

Publication Date

Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026

02/09/2024

Copyright Vermont League of Cities and Towns
Current as of: 11/11/2026