

2025-2026 Municipal Policy



The 2025-2026 VLCT Municipal Legislative Policy was approved by the membership at VLCT's 2024 Annual Meeting. The policy is developed through recommendations from five legislative policy committees. Read more about the [policy development process](#).

Municipal Guiding Principles

Vermont League of Cities and Towns (VLCT) supports:

1. a robust and transparent partnership between state and local government;
2. granting municipalities authority to legislate solutions to matters solely affecting the municipality;
3. inter-municipal collaboration to develop regional governance structures that provide the technical, administrative and financial scale necessary to tackle multi-jurisdictional issues without dismantling local control;
4. creating sustainable funding for municipalities beyond the property tax to ensure every municipality can meet its obligations, including sharing revenue collected or raised at the municipal level;
5. building racially just, equitable, diverse, and inclusive communities of belonging and taking meaningful action to effect systemic changes that heal racial divisions;
6. local discretion to pursue sustainable housing, economic development, recovery, and resiliency, including substantial deference to municipal planning, zoning, and siting decisions;
7. flexibility in implementing state regulatory and statutory requirements;
8. including local officials in determining changes in local response to emergency situations;
9. state collection of fees and taxes assessed to implement statewide goals;



10. resources to provide sustainable public safety, fire protection, and emergency medical services; and
11. direct aid to municipalities to mitigate the effects of economic distress.

Each new obligation imposed on municipalities without sufficient funding to cover its costs results in increased municipal property taxes or fees. VLCT opposes all unfunded mandates, pre-emption of municipal action, regulatory overreach by state agencies not supported in statute, and cost shifts to local government. We urge the completion of fiscal impact statements that itemize potential shifts in costs to local governments prior to action being taken by the legislature or administration.

1.0 Finance, Administration and Intergovernmental Relations (FAIR)

1.1 PRIORITIES

1. Provide municipalities with technical assistance and funding necessary to meet existing obligations;
2. Avoid the creation of new layers of government in solving local capacity challenges and instead focus on empowering local governments to band together to create councils of government and other inter-municipal agreements to reach scale;
3. Designate the State Ethics Commission to receive, investigate and report on municipal ethics complaints; and



4. Give Vermonters new tools to hold municipal officials accountable by authorizing municipalities, at a town meeting, to hold recall elections.

1.2 VERMONT TAX STRUCTURE OVERHAUL

1. Establish a municipal revenue sharing program that provides sustainable, reliable annual funding to every municipality to support the delivery of services, innovative programs, and maintenance of infrastructure;
2. Reform Vermont's tax system to ensure sustainability, affordability, equity, and balance;
3. Reimburse municipalities for all state-mandated property tax exemptions, or provide local voters with the authority to impose municipal service fees on such properties;
4. Extend locally implemented tax stabilization agreements to education tax obligations to encourage and promote economic growth; and
5. Make accurate and timely aggregated tax return data available to municipalities to address a range of issues including short term rentals and local option tax collections, to facilitate audits and inform local decision making.

1.3 K-12 EDUCATION

1. Establish a transparent education finance system that reduces the education property tax and links voters' actions in approving budgets to the taxes they pay to fund their school districts;
2. Revise Vermont's education funding system;
3. Use Education Fund monies only for pre-K-12 education;



4. Authorize the local legislative body to appoint a replacement member representing that municipality to a consolidated school board in the event of a vacancy until an election is held;
5. Establish a cap on the annual increase of education property tax rates that the legislature may enact;
6. Acknowledge the burden on education property taxpayers and assure skyrocketing residential property values do not prevent Vermonters' from staying in their homes;
7. Ensure no property owner pays less than \$0 in education property taxes; and
8. Hold municipalities harmless from paying education property taxes that are uncollected due to delinquencies.

1.4 OPEN MEETING, PUBLIC RECORDS, AND ELECTION LAWS

1. Apply the Open Meeting Law and Public Records Act to the legislative branch of state government;
2. Provide clarity, flexibility and better definitions regarding how advisory and non-advisory public bodies must comply with the Open Meeting Law;
3. Provide adequate funding and practical recommendations to municipalities that enables them to comply with Open Meeting Law and Public Records Act mandates;
4. Amend the Public Records Act to reduce individuals' ability to harass public officials with repetitive public records requests; and
5. Modernize posting requirements for open meetings, public records and legal notice laws to allow for electronic postings.



1.5 PROTECTING AND ENHANCING MUNICIPAL FINANCE

1. Continue state payments of costs to defend grand list and property tax collections including appeals, attorneys' fees, and abatements, in proportion to the state share of overall property taxes;
2. Provide collectors of delinquent taxes the resources and authority to collect unpaid taxes in compliance with Act 106;
3. Allow municipalities to employ the prudent fiscal practice of providing for an unrestricted fund balance within the municipal general fund budget;
4. Require local legislative body approval of the county operating budget;
5. Eliminate the mandate that local governments take over non-municipal cemeteries unless the state pays for the expenses to do so;
6. Continue state funding of education for local officials whose responsibilities include complying with state performance standards;
7. Revise the formula for payment in lieu of taxes (PILOT) for state-owned property specified in 32 V.S.A. § 3701 – 3707.
 1. Return existing and any future surplus in the PILOT fund to municipalities;
 2. Revise and reduce the percent of Local Option Tax (LOT) withheld by the state to make PILOT payments;
 3. Provide aggregate data to municipalities assessing Local Option Taxes that demonstrate which sectors are paying LOT and establishes a mechanism for auditing LOT revenues to the assessing municipality;
 4. Make PILOT payments to assessing municipalities on a quarterly basis;
8. Increase clerk fees and establish a three-year cycle for reviewing and updating them consistent with the schedule for state fees; and



9. Adopt for municipalities the monetary damages cap that the legislature has enacted for the State but not municipalities.

1.6 HEALTH CARE

1. Assure that every community has access to affordable, accessible, quality health care; and
2. Address the root causes of the escalation in cost for health care services and commit to controlling the costs of the health care system.

2.0 Transportation

2.1 PRIORITIES

1. Simplify funding, permitting, and program administration to maximize use of all state and federal dollars;
2. Ensure transparency and collaboration with municipalities when developing the transportation budget and allocating funds to cities, towns, and villages;
3. Provide enough funding to municipalities to build and maintain a modern transportation system that can withstand increased use, the impacts of climate change, and other safety demands;
4. Develop diverse and sustainable Transportation Fund funding sources that achieve the state goal of reducing fossil fuel usage, are commensurate with use of state and local transportation infrastructure, capture usage by out of state



visitors, and consider the reality of rural residents' road usage, reduce total vehicle miles traveled and reduce crash fatalities;

5. Secure additional funding for core municipal transportation programs (Town Highway Aid, Town Structures, Town Bridges) sufficient to pay for statutory obligations to provide safe transportation for the traveling public;
6. Encourage adoption of the "Complete Streets" program, finalize updated State Design Standards, and incorporate their principles into projects, including in rural villages and on town highways;
7. Establish policies that empower municipalities to reduce local emissions, increase resiliency to the effects of climate change, and participate in the transition to a cleaner energy economy;
8. Authorize municipalities to set speed limits on roads below 25 m.p.h.; and
9. Provide new funding to electrify vehicles and equipment and install charging infrastructure.

2.2 ADDITIONAL FUNDING PRIORITIES

1. Ensure that funding for local transportation meets current local assessments of documented needs and design standards;
2. Remit a portion of vehicle registration fee to the municipality in which the vehicle is registered to support the municipal road maintenance budget;
3. Provide funding and technical support so town highways, culverts, and bridges are accurately rated for weights they carry;
4. Fund, design and build resilient infrastructure that can withstand more extreme weather and meets stormwater management standards through construction, upon completion, and in the next storm;



5. Ensure that funding for the Town Highway Emergency Fund is sufficient to cover municipal costs resulting from natural or human-caused disasters, regardless of a Federal Disaster Declaration;
6. Appropriately fund programs such as Complete Streets, alternative transportation, and bike – pedestrian improvements through block grants to achieve implementation success;
7. Establish adequate state funding of right-sized, efficient public transit services that support the social services and transportation priorities of a state-wide system; and
8. Support the design-bid-build process in all VTrans funded projects.

2.3 STATE AND LOCAL COOPERATION

1. Improve VTrans response, communication and cooperation with municipalities;
2. Provide incentives to municipalities to take over state highways that function as main streets;
3. Eliminate provisions in VTrans' master license agreements that require municipalities to indemnify VTrans or the railroads on activities related to municipal projects;
4. Establish deference to local experience and conditions when studying speed limits on state highways;
5. Allow VTrans district transportation administrators to enter into agreements with municipalities for use of VTrans equipment for small projects when not in use by the district;
6. Establish state tracking of municipal paving projects and town highway to inform funding needs and prioritize Class 1, 2, and 3 highway paving needs statewide;



7. Consult with municipalities when deciding where to install rumble strips on state highways and paved Class 2 highways;
8. Require private property owners to install and maintain stormwater and flood resiliency controls to prevent damage to municipal and state highways; and
9. Direct VTrans to develop a state-wide inventory of private property owners' installed stormwater and flood resiliency controls that is available not only to the state but also to municipalities.

2.4 COMMERCIAL VEHICLES

1. Develop a statewide and state run, process for permitting overweight or oversized vehicles on all roads;
2. Index and raise vehicle registration fees to axle weight and remit fees to the Transportation Fund;
3. Remit a portion of overweight permitting fees to municipalities; and
4. Require commercial, forestry, and agricultural custom service vehicles to comply with all motor vehicle laws when operating on state and local highways.

2.5 RAIL

1. Require all railroad-related projects to comply with all environmental regulations;



2. Require rail companies to notify municipalities of hazardous materials they are transporting through or storing within a municipality;
3. Work with railroad companies to prohibit trains from speeding in downtown areas;
4. Extend and enhance passenger rail service between Vermont and Montreal as soon as practicable;
5. Authorize municipalities to extend municipal amenities and infrastructure under or across railroad tracks to serve residents, with no railroad imposed annual charge, ensure access to maintain them, and protect municipalities from liability for accidents caused by the railroad or VTrans that affect those lines; and
6. Require all railroads and railroad-related projects to maintain stormwater and flood resiliency infrastructure so as not to damage municipal infrastructure and disclose the condition of such infrastructure to host municipalities.

3.0 Public Safety

3.1 PRIORITIES

1. Implement initiatives that reverse the critical shortage of public safety personnel statewide and that implement new ways to recruit and retain them;
2. Implement law enforcement principles of procedural justice and continued efforts to ensure:
 1. fair, equitable, and impartial law enforcement;



2. building trust and legitimacy in communities including marginalized, vulnerable, and disadvantaged populations;
3. sound policy and oversight mechanisms in accordance with the governance structure of the municipality;
4. best practices in the use of technology and social media;
5. community policing principles that include crime reduction strategies;
6. ongoing training and education to employees;
7. officer wellness, safety, mental health, and critical incident stress management; and
8. sufficient funding to attain these goals;

3. Provide public safety officials with the technology, authority, information, training, funding, and revenue to ensure the above law enforcement services;
4. Ensure statewide access to affordable state-of-the-art telecommunications services that benefit public safety and first responders and builds the economy;
5. Support Fire Departments and Emergency Medical Services in meeting OSHA/VOSHA standards; and
6. Preserve qualified immunity for law enforcement and all government officials.
7. Permit municipalities to provide tax incentives to assist in recruiting firefighters and explore other possible means of increasing Fire Department staffing.

3.2 OPIOID CRISIS

1. Establish funding to increase the availability of on-demand substance use disorder and mental health treatment services;
2. Extend eligibility for Medicaid reimbursement to substance use disorder treatment;
3. Provide funding to establish and maintain sober housing alternatives;



4. Increase efforts to disrupt, arrest and prosecute drug dealers and suppliers; and
5. Assure policies balance and deliver treatment, accountability, and enforcement services.

3.3 JUDICIARY

1. Improve the judicial system's capacity to require accountability for offenders' actions;
2. Sufficiently fund and staff the Vermont Statewide Treatment Court and implement recommendations for improvement; and
3. Establish accountability for transparent, accurate and timely reporting of data on judicial disposition of cases, individual recidivism, and recovery rates, to assure the safety of the public.

3.4 STATE, LOCAL, AND REGIONAL COOPERATION

1. Incentivize and provide on-going funding and assistance to support municipalities that explore, consolidate, integrate, or regionalize public safety services;
2. Establish systemic criminal justice reforms that address the drivers of crime and reduce re-offending;
3. Provide for sealing of criminal records in place of their expungement to ensure protection of victims and the public;
4. Authorize a Vermont law enforcement officer to make an arrest based on a warrant from another state;



5. Maintain the independent status and function of the E-911 Board;
6. Assure all dispatch systems are compatible and can communicate with one another;
7. Ensure equal access to emergency services exist in rural communities; and
8. Establish a default statewide ban on firearms in designated municipal buildings/property, from which an individual municipality may opt out.

3.5 CORRECTIONS, MENTAL HEALTH, AND SUBSTANCE USE DISORDER

1. Establish a statewide, integrated approach for wellness, critical incident stress management, mental health and substance use disorder services across health, human services, first responders, and public safety departments and agencies;
2. Notify municipal officials when the state transports or provides unhoused individuals temporary housing in a municipality and require the state provide necessary support services;
3. Develop collaborative solutions among all affected stakeholders to manage incapacitated persons;
4. Require the Department of Corrections (DOC) to notify local officials of changes in offenders' status, particularly those at risk to re-offend, collaborate with local officials in the placement of released persons, and assure reasonable support and supervision is in place to protect the community, victim, and offender;
5. Adhere to municipal zoning in approving housing for offenders and unhoused individuals and locating adequate supervision and support services for those individuals; and
6. Authorize DOC officials to serve citations and domestic abuse orders to offenders in correctional facilities in lieu of municipal police officers serving



them.

3.6 PUBLIC SAFETY FUNDING

1. Establish a systemic approach to financially support call handling and dispatch emergency services;
2. Increase cooperation of state agencies for incident response on interstate and state highways to share the burden currently placed on local public safety departments;
3. Authorize local emergency service agencies to recover all costs associated with complying with any federal, state, or court-ordered licensing, registration, training, or testing requirements;
4. Provide funding to municipalities to undertake drug investigations at the local level; and
5. Continue to support and fund state increased Medicaid reimbursement rates for Emergency Medical Services (EMS) to cover the actual cost of care.

3.7 PUBLIC SAFETY TRAINING

1. Institute flexible alternatives to the residential Vermont Police Academy training program;
2. Provide adequate funding and resources to the Vermont Fire Academy, Vermont Police Academy, and the Department of Health for certified training programs and activities for all emergency services personnel;
3. Ensure that statutorily authorized training mandates and the associated impacts on public safety personnel and agencies are current, necessary, and appropriate to an officer's level of experience;



4. Focus Vermont Police Academy funding and training on core law enforcement responsibilities, including the VLCT Board adopted document entitled [Perspectives on Police Reform](#);
5. Provide adequate funding to ensure appropriate levels of staffing and training to each sector of the public safety community;
6. Implement standards for providing reciprocity with other states' training programs;
7. Continue to fund training for emergency medical service providers; and
8. Create additional opportunities outside of existing state-sponsored programming, such as through tech centers, colleges and universities, and non-traditional education providers enabling more Vermonters to become certified public safety officials, including police, fire fighters and emergency medical service providers.

4.0 Quality of Life and Housing

4.1 PRIORITIES

1. Enable every municipality in the state to grow economic vitality by encouraging and facilitating community-driven economic development in those places municipalities have designated for growth;
2. In collaboration with local governments, develop coordinated, long term, state-wide recovery plans that address the wide range of resiliency and rebuilding needs across agencies, services, and municipalities; and



3. Establish new sources of adequate, ongoing funding to invest in infrastructure in downtowns, new town centers, villages, and any area in which state or local policies encourage housing or economic development.

4.2 HOUSING

1. The state is responsible for providing transitional and supportive housing for Vermonters. The state must lead homelessness prevention and response efforts including establishing and following a plan to address unit production, mental health service delivery and homeless shelter creation;
2. Establish funding and incentives that support the variety of housing needed across the state and which has been encouraged through recent housing legislation;
3. Ensure new density requirements don't contribute to the proliferation of short-term rentals;
4. Implement policies that encourage, but do not mandate, models of high-density, multi-unit housing, because solutions to the housing crisis must be appropriate to the size and planning priorities of every municipality;
5. Direct housing incentives and programs to areas designated in municipal plans and provide for water and sewer capacity in those places;
6. Reform the General Assistance Hotel/Motel Emergency Housing Program to ensure equitable and proportionate impact on municipalities; and
7. Prioritize funding and regulatory reform to facilitate design, construction, and maintenance of infrastructure to support development and redevelopment of the wide variety of housing Vermonters need (workforce, elderly, downsizing, middle income, affordable, and supportive).



4.3 LOCAL LAND USE AND ACT 250 REGULATORY REFORM

1. Authorize local governments to establish targeted, performance-based contracts to support the infrastructure needed to realize Act 250 reforms and housing development enabled in the 2024 Community Resilience and Biodiversity Protection Through Land Use (Act 181);
2. Provide adequate funding and support, and ensure municipal input when implementing new land-use mapping and Act 250 location-based jurisdiction;
3. Ensure the Community Investment Program (replaces Downtown Designation Program) defers to municipal plans and authority when transitioning existing designated areas, granting new areas, and offering benefits;
4. Base development decisions upon adopted municipal plans and use adopted regional plans as guidance documents; and
5. Increase the threshold for appeals of projects located in approved designated areas.

4.4 ECONOMIC GROWTH

1. Establish a program to enable municipalities to invest in infrastructure that supports a transformational economic development project in the community; and
2. Provide local authority to designate appropriate areas for cultivation of cannabis through zoning.



5.0 Environment

5.1 PRIORITIES

1. Develop a long term, coordinated and comprehensive plan across government silos to address resiliency, water quality, waste management, and sustainable growth in the built and natural environments;
2. Provide municipalities with new resources, authority, and avenues for inter-municipal collaboration to respond to the impacts of climate change;
3. Develop regional governance structures that provide the administrative and financial scale necessary to tackle issues that cross municipal boundaries through a framework which balances local authority with the need for collective action; and
4. Charge the State with the responsibility of managing rivers, streams, and watersheds for resiliency and recovery.

5.2 CLIMATE ACTION AND ENVIRONMENT

1. Share federal and state resources to assist in local resilience and adaptation efforts;
2. Ensure ongoing funding for the Flood Resilient Communities Fund (the state flood impacted property buy-out program) including relocation and rebuilding of municipal properties in flood danger;



3. Implement policies that empower municipalities to reduce emissions across all sectors, plan for and increase resiliency to the effects of climate change, and transition to cleaner energy sources;
4. Increase state energy code compliance without imposing further mandates or administrative burdens on municipalities;
5. Provide accessible, low barrier funding for weatherization efforts at scale;
6. Ensure local input and control over siting and permitting of energy projects, including decisions about building close to where energy will be used (close to load);
7. Hold municipalities harmless from liability for presence or consequences of forever chemicals;
8. Relax regulations that require relocation of lightly contaminated urban soil, and aligns with policies to encourage economic development and housing in urban locations;
9. Increase funding for brownfield clean-up and redevelopment; and
10. Continue protection of habitat blocks, forest blocks, river corridors, wetlands for carbon sequestration and resiliency, flood and stormwater mitigation, and aquifer recharge.

5.3 AGENCY OF NATURAL RESOURCES SYSTEM IMPROVEMENT

1. Produce efficient and coordinated permitting, grant management, program management and enforcement of regulations across the Agency of Natural Resources (ANR);
2. Direct and authorize leadership in ANR and the Department of Environmental Conservation (DEC) to:



1. Provide leadership in developing regional solutions in pursuit of conservation and resiliency initiatives.
2. Undertake a comprehensive review of all rules with the objective of reducing burdens and liabilities to municipalities.
3. Require rule revisions that balance conservation and resiliency objectives with municipal capacity and societal needs in Vermont and prohibit "Interim Strategies" and "Guidelines" as substitutes for duly adopted rules.
4. Resolve regulatory conflicts in favor of the programs or requirements that produce the most economically feasible environmental benefits whenever compliance projects encounter conflicting requirements among state agency and department programs.
5. Whenever possible, provide a "service provider model" for technical, engineering and planning assistance as opposed to competitive grants; and
3. Ensure timely responses from ANR at all levels and in all programs regarding permit and permit renewal requirements, and clear guidance for implementing those requirements.

5.4 VERMONT CLEAN WATER ACT FUNDING AND IMPLEMENTATION

1. Ensure that federal and state funding instead of competitive grants pay for federal and Vermont Clean Water Act priorities;
2. Provide sufficient funding for project development including research, planning, design, and scoping to ensure that projects will successfully implement mandates such as Municipal Separate Storm Sewer System (MS4) General Permits, Vermont's Stormwater Total Maximum Daily Loads (TMDLs), Combined



Sewer Systems, and Municipal Road General Permits (MRGPs);

3. Establish a statewide authority for the centralized collection of impervious surfaces or per parcel fees, development, and implementation of clean water projects;
4. Afford relief from permit compliance deadlines when corresponding funding is delayed or eliminated;
5. Prohibit diverting Revolving Clean Water funds to other purposes;
6. Update river corridor plans and develop a hazard mitigation plan that promotes reductions to the impacts of natural disasters including flooding; and
7. Provide funding to assure dam safety and enable compliance with regulations.

5.5 TOTAL MAXIMUM DAILY LOADS (TMDLS)

1. Direct ANR to track and publish up-to-date data on the cost to construct TMDL-compliant projects to ensure consistency, transparency, and unified standards;
2. Allow permitted entities to pursue water quality gains elsewhere in the drainage basin when the cost of treatment at facilities within regulatory boundaries reaches an excessive benefit-to-cost ratio;
3. Ensure fair, effective, efficient spending of local, state, and federal dollars to achieve TMDL goals;
4. Subject potential mitigation efforts to a cost-effectiveness analysis and base implementation on that analysis;
5. Reduce and cost-effectively infiltrate runoff from non-point sources of pollution on all properties; and
6. Implement policies supporting regenerative solutions that harness nutrient cycles to improve water quality and quantity, and restore soil fertility, microbial activity, and moisture-holding capacity.



5.6 POTABLE WATER AND WASTEWATER SYSTEM PERMITTING

1. Enforce provisions of the Wastewater Systems and Potable Water Supplies Program, including requirements to repair or replace failed on-site septic systems;
2. Establish sufficient funding and technical assistance support to municipalities to protect public health by ensuring availability of potable water supplies and to test for, remediate, and manage per- and polyfluoroalkyl substances (PFAS) contamination;
3. Regulate emerging contaminants at the source instead of the point of discharge in a science-based and economically feasible manner;
4. Redefine "waters of the state" to exclude constructed waterworks such as reservoirs, settling ponds, and any infrastructure related to water supplies;
5. Apply new permitting requirements only upon expiration of the five-year permit term and renewal;
6. Eliminate duplicative state permitting of connections to water and wastewater utilities; and
7. Develop a residuals management policy and modified regulations that ensure in-state municipal disposal options.

5.7 MATERIALS MANAGEMENT

1. Hold municipalities harmless from liability for any hazardous material incident at any facility or property that conforms with all state and federal permits and regulations;
2. Hold municipalities harmless from liability for any PFAS-related contamination;



3. Regulate complete treatment processes for materials such as wastewater, solid waste, and recyclables through single permits that address the entire treatment cycle at a facility, and issuing permits for a facility based on its useful life or capacity;
4. Prioritize DEC implementation of regional septic, residuals, and solid waste management strategies;
5. Develop a plan for solid waste management facilities (landfills) closer to the point of waste production to reduce the carbon footprint of waste transportation, increase efficiency, reduce waste and protect Vermont's waters; and
6. Incentivize and fairly compensate municipalities for hosting a landfill.

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