April 7: Public Objects to Road Rule, Agricultural Regs Could Remain, Other Bills of Interest

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This was a relatively slow week at the State House as the policy committees received bills recently passed by the other chamber and began charting the path toward recess later this spring. Meanwhile, the money committees have been mired in the details of another massive education reform package, providing a brief reprieve from budget debates.

In this *Weekly Legislative Report*, we provide updates on the major land use bills of the session and outline some minor bills likely to pass this session, each with potential municipal impacts. We also invite you to **join us in Montpelier on Thursday, April 23** for VLCT's **State House Municipal Advocacy Day**(opens in a new tab).

Public Pressure for Act 181 Reform Escalates as S.325 is Heard in House Environment Committee

Last week, the House Committee on Environment began testimony on Senate bill S.325 which would delay implementation of Tier 3 and the road rule, extend temporary Act 250 exemptions that support housing, and make miscellaneous changes to future land use area criteria for Tier 1.

The first week of testimony in the House included a walk-through by legislative council and a lot of discussion of Act 250 by members of the Land Use Review Board (LURB) and representatives of the Vermont Natural Resources Council (VNRC). This week, a broader slate of testimony is expected by former Act 250 district commissioners; farmers and foresters; and representatives of the Land Access Opportunity Board, Let's Build Homes, and the Vermont Chamber of Commerce.

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Meanwhile, other engagement from Vermont homeowners calling for full repeal of the road rule and Tier 3 continues to intensify. Two listening sessions were held at the State House to welcome rural voices: one was hosted by Democratic senators who championed S.325, and the other was hosted by the non-partisan Rural Caucus.

Many speakers raised concerns that the sweeping new Act 250 jurisdictions would disproportionately impact middle and low-income Vermonters living in rural communities, particularly in the case of the Tier 3 "habitat connectors", which exclusively cover roads and highways near forested areas. Existing homes that front on state highways and class 1 roads are generally smaller, with less land, and are older or more modest than homes built along long private roads and driveways that reach beyond the 2,000-foot habitat connector area. Critics of the Tier 3 draft rule say that these habitat connectors sweep up Vermont homeowners who are least able to navigate the lengthy and costly Act 250 review process, while leaving larger, higher elevation estates untouched by the new regulatory requirements.

VLCT began this session with a priority to delay implementing Tier 3 and the road rule while improving the Tier 1 mapping and adoption process – which S.325 does. That said, an increasing number of town legislative bodies have recently taken actions to oppose Act 181 and/or to call for full repeal of the road rule.

VLCT expects to testify again on S.325 in the coming weeks. **If you think we should seek more than just delay**, please share your thoughts with us advocacy@vlct.org.

You can provide comment directly:

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- on S.325 and Act 181 implementation to members of the House Environment Committee.
- on the draft Tier 3 rule guidance to the LURB by emailing act250.rulemaking@vermont.gov.
- on the draft road rule guidance to the LURB by emailing act250.comments@vermont.gov.

Question of Municipal Authority over Agriculture Sent to Senate Committee on Government Operations

The House has officially passed a new version of H.941, an act relating to municipal regulation of agriculture, and we interpret this as a dramatic rollback of existing municipal authorities. As we reported last week, the House bill reaches past the Senate's proposal and would:

- Not make any modernizations to the Required Agricultural Practices (RAPs) for sales, income, or livestock density.
- Prohibit municipal regulation for the growing of food from plants, orchards, or for maple production regardless of whether the goods are sold.
- Prevent the municipal prohibition of any poultry flock of any size including on residential homestead properties.
- Prohibit the municipal regulation of ornamental plants. Ornamental plants are defined as: perennials, annuals, and groundcover purposefully planted for aesthetic reasons.

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- Allow limited municipal regulation of commercial farming only for ingress and egress of vehicular traffic and ensuring pedestrian safety (including regulating parking, signage, pavement markings, functional enclosure of livestock adjacent to road, siting, and setbacks) and only on farms that:
    - are located on a .75 acre or smaller lot,
    - are created after July 2026, and
    - are not on conserved land.

Unlike in the Senate's miscellaneous agriculture bill, H.941 is a standalone piece of legislation which only relates to municipal authority and includes several substantive changes to Title 24 relating to preemptions to municipal bylaw. As such, the Senate clerks have committed the bill to the Senate Committee on Government Operations, which has jurisdiction over municipal authority. However, this committee has not scheduled any testimony yet.

We hope to get a fair hearing before Government Operations, which understands the nature of municipal regulatory authority in Vermont.

Other Bills with Municipal Impact

The major land use, housing, and money bills have received the most attention this session, along with major reform packages related to education and human services. However, the VLCT advocacy team has testified dozens of times for more discrete policy proposals this session related to water and wastewater permitting, clean energy and building code, public safety, and

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more.

As these bills have wound their way from sponsoring committees, through appropriations and government operations committees, and across to the opposing chambers, we have worked with lawmakers and state agency officials to minimize municipal effects and to ensure that new programs may be accessed by all communities, large and small. Here are some of the more minor bills that have made crossover and could pass this session.

S.212, Potable Water Supply and Wastewater Systems Connections

This bill would

- Modernize Vermont's wastewater and potable water permitting system by **shifting routine connection reviews to a new general permit framework.**
- Allow **qualified municipalities** to take on a larger role in reviewing local water and sewer hookups.
- Focus on **connections** to systems — not construction of new systems.

S.138, Commercial Property Assessed Clean Energy projects (PACE)

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This bill would

- Create a new tool to finance qualifying clean energy and related building improvements.
- Allow the commercial property owner to repay the cost through a special assessment on the property tax bill.
- Use private capital, not taxpayer funds.
- Keep the special assessment for repayment with the property if it is sold.
- Update Vermont law to align more closely with CPACE programs in other states.
- Reduce ambiguity for lenders, property owners, and municipalities.
- Keep municipal participation optional, with no public funds required.

H.556, Exceptions to Applicable Minimum Wage for Elected and Appointed Municipal Officials

This bill would

- Clarify that elected or appointed municipal officials are not “employees” under the statute.
- Change state law so that minimum wage requirements would not apply to stipends or compensation paid to elected or appointed municipal officials.
- Not apply to state overtime requirements.

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S.255, Establishing a Pilot Law Enforcement Governance Council in Windham County

This bill would

- Create a pilot regional structure for coordinating law enforcement services in Windham County by establishing a Law Enforcement Governance Council.
- Have the goal of helping rural and small municipalities in Windham County that lack their own police departments to coordinate coverage, governance, and funding more effectively.
- Allow voluntary participation by Windham County municipalities.
- Require an annual report to the legislature.
- Sunset in five years without legislative action.
- If successful, be a potential model for other counties and municipalities.

H.578, Penalties and Procedures for Animal Cruelty Offenses

This bill would

- Strengthen Vermont's animal cruelty statutes and close gaps in enforcement and sentencing.
- Reduce the financial burden on towns, shelters, and humane organizations by requiring a security be posted if a forfeiture is ordered.

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The security would be applied to the actual costs incurred by the custodial caretaker in caring and keeping the animal through the date of forfeiture, including food, boarding, and the cost of any veterinary services.

- Clarify how the law applies to different types of animals, including livestock.

H.935, Emergency Management

This bill would

- Respond to lessons learned from recent floods and emergencies by strengthening Vermont's communications infrastructure, emergency coordination, public access, disability inclusion, and ongoing preparedness funding.
- Significantly modernize Vermont's forest fire statutes, which date back more than a century, to better align legal authority with current municipal fire operations and wildfire response practices.
- Clarify state and local wildfire authority and delegate incident command.
- Shift how town forest fire wardens are designated when a municipality has a fire department: the municipal fire chief would become the default town forest fire warden.
- Allow fire chiefs to designate deputies locally rather than relying on State appointments.

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State House Municipal Advocacy Day April 23

Join VLCT for our **State House Municipal Advocacy Day on Thursday, April 23**. This is your opportunity to meet directly with your state representative or senators, attend a joint committee hearing on municipal transportation topics, and help Vermont's communities inform critical policy decisions before the legislature this session.

This is a come-and-go opportunity: whether you participate in breakfast, networking, meetings, or hearings, your engagement strengthens VLCT's collective voice and amplifies the priorities of Vermont's towns and cities. **Register Now!**

Tentative* Agenda for State House Municipal Advocacy Day April 23, 2026

8 AM to 9:30 AM in the State House Cafeteria: Network with legislators, enjoy a light breakfast (coffee, tea, pastries), and mingle with your peers.

10 AM to 11:30 AM: Attend a joint hearing of the House and Senate Transportation committees. Local officials interested in testifying on transportation related issues, opportunities, and challenges will please register and let us know your interest in testifying. Email jhanford@vlct.org and ssheehan@vlct.org.

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11:30 AM to 12 Noon in the Cedar Creek Room: Press Conference. Join – or at least stand with – your local government peers in advocating publicly for more transportation funding and town highway aid.

1 PM to 2 PM in VLCT's Vermont Room: Debrief, discuss policy in action, and join the **in-person Advocacy Chat**.

**Final agenda details will be confirmed the week of the event.*

What We're Reading

Here are some recently released legislative reports and news stories related to top issues for local government.

- Act 133 Report, Recommendations to enhance democratic participation, Vermont Secretary of State
- TIF Annual Report for Fiscal Year 2025, Vermont Economic Progress Council
- March 2026 Monthly Housing Report, Department of Children and Families
- Cock-a-Doodle-Don't? Vermont Towns Can't Agree on Roosters, VTDigger
- Has Vermont Built a System That's Better at Studying Bridges Than Building Them?, Compass Vermont (Independent Source)
- Vermont Legislature Weighs the Power of Towns to Regulate Farming, Vermont Public

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- Town of Highgate Criticizes Act 181; House Speaker Says Concerns 'Need to be Addressed', My Champlain Valley
- Hinesburg Bridges Beset by FEMA Fund Shortfall, VTdigger
- South Burlington Voters May be on Hook to Further Fund Wastewater Projects, VTdigger

Get Involved

With work in the State House continuing apace, the **most important key to our success is your input and participation** in VLCT's advocacy work. Don't forget to register to attend our Advocacy Chats to learn what mid-session progress has been made on the issues that matter most to local government. Also, hear what your municipal colleagues from around the state have to say about the hot topics and share your concerns for the legislature. You can register to attend our next bi-monthly chat here, or join us in person in Montpelier on April 23.

- You can find (and share) this legislative report as well as previous and future reports and alerts on our main Advocacy webpage.
- Before you visit the State House, check VLCT's Effective Testimony Guide for Municipal Officials for best practices and answers to frequently asked questions.
- To support VLCT's advocacy work; participate in policy development, testimony, and legislative actions; or just learn more, reach out to Josh and Samantha by email at jhanford@vlct.org and ssheehan@vlct.org.

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