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Vermont League of Cities and Towns

2026 Policy Priorities Senate Government Operations

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2026

Lower Property Taxes

Authorize and enable municipalities to raise local revenue, control expenses, and avoid state-to-municipal cost shifts.

Build Housing

Support the creation of the new housing that municipalities need, have envisioned and planned for, and allow in local zoning.

Promote Public Safety

Support municipalities in delivering public safety and fulfill the state's obligation to deliver public health and human services.

Prioritize Transportation

Fund and fix the municipal roads and bridges that all Vermonters rely on.



Lower Property Taxes

Authorize and enable municipalities to raise local revenue, control expenses, and avoid state-to-municipal cost shifts.

1. Return the growing Payment In Lieu Of Taxes (PILOT) Fund surplus to the municipalities that raised it.
2. Alleviate local tax burdens by holding municipalities harmless for uncollected state property taxes.
3. Share revenue with municipalities supporting cannabis retail and cultivation industries.
4. Create a monetary cap for municipal liability commensurate with the State's.
5. Provide local voters with the authority to impose municipal service fees on properties with state-mandated property tax exemptions.
6. Require local legislative body approval of the county operating budget.
7. Increase per parcel payments and provide small-town minimums to cover the modern cost of grand list maintenance, appraisal, and appeal.
8. Modernize Public Records Law to support compliance and allow municipalities to recover the true cost of producing records.



Modernize Public Records Act

The number of Public Records Act requests received by municipalities seems to be increasing exponentially, as are the types and volumes of records that municipal officials are obligated to maintain.

1. Extend number of days to respond to 14
2. Clarify act of denial
3. Clarify municipal appeals process (head of agency)
4. Allow municipalities to recover the true cost of producing records, both for inspection and copies
5. Create relief from vexatious requests, similar to Maine 1.M.R.S.A 408-a(4-A)



Update on Municipal Technical Assistance Programs

- The Municipal Technical Assistance Program (MTAP) created in FY23 was not funded in the FY26 budget. Flood towns were automatically eligible for MTAP grants.
- VLCT has been granted \$500k for NRBC Catalyst Program and will begin 3 years of CHIP technical assistance programing:
 - Education & Outreach to Local Officials
 - Concepts for public-private development and tax increment financing
 - High-touch cohort model trainings for CHIP ready towns
 - Resource bank of model policies, ordinances, development agreements, TIF calculators and more
 - Trainings open to all municipal officials as well as RCD & RPC staff



Of the 251 municipalities represented by VLCT:

- 8 have Mayors (only 2 are "strong mayor")
- 66 have City, Town or Village Managers
- 73% have a population under 2,500, and most of these municipalities are governed by volunteers.
- 200 Municipalities with an adopted Municipal Plan
- 142 “10 Acre Towns” with adopted Zoning and Bylaw
- 89 Chartered Cities, Towns and Villages
- 43 Municipalities operate water and sewer