



April, 1988

## WEAKENED GROWTH MANAGEMENT BILL PASSES THE HOUSE

Following several days of debate, many proposed amendments and procedural scuffles, the Vermont House passed H.779, the so-called "growth control" bill. Prior to floor action, the bill spent a grueling three months working its way through the special House Committee on Growth--formed exclusively to work on this bill--and committees on Natural Resources, Ways and Means and Appropriations.

The bill was spurred by the recommendations made by the Governor's Commission on Vermont's Future, a panel which held many statewide hearings last fall. Unfortunately, the bill that emerged from the House was scaled-back in several key areas. In particular, the Commission's suggestions on land use planning--which urged participation by towns in regional planning, recommended comprehensive local land use plans in each town and called for reduced reliance on the property tax--were lost.

These provisions were pulled from the bill due to apprehension among many legislators that land use planning and changes in the property tax system would undermine local decision-making. Supporters of these provisions, including VNRC and many public interest groups, argued that a coordinated land use planning process was necessary at each level of government to deal with growth pressures facing Vermont. Such a process is needed to ensure that local needs are met, state resources are protected, and that investments are made consistent with wise land use. We've also argued that the current property tax system is a disincentive to conservation in rapidly developing areas and burdensome in towns which value their open space and have little commercial growth.

H.779, however, is not hopeless! VNRC will be advocating that many of the Growth Commission's recommendations be reinstated in the Senate version. VNRC believes that growth legislation should be accompanied by property tax reform and explicit incentives for towns to engage in regional land use planning, especially for those towns which create spillover effects on neighboring areas. Here's a breakdown on what's in H.779 and what isn't:

### "In"

- List of general state goals to be used in local and regional planning efforts.
- Creation of a "Council of Regional Commissions," made up of 13 regional commission members and 5 appointed members, to review regional plans and serve as a "mediation board" for disputes between towns and regions or between regions. Their review is strictly advisory in both roles.
- Requirement that town plans (for those that plan) are to be "approved" by regional commissions to ensure compatibility with other towns and regional needs.
- A municipal and regional planning fund, created through a 3/4% increase in the property transfer tax (this tax is collected any time property changes title).
- A substantial financial boost of \$20 million to the Housing & Conservation Trust Fund through a combination of bonding, surplus monies and a portion of the property transfer tax.
- Farm assistance: a one-year dairy subsidy coupled by an expanded current use tax program and debt-relief program for all farmers in the second year.

### "Out"

- Towns are not required to plan.
- There are few disincentives to inadequate local planning, (i.e. the Growth Commission recommended "sanctions" such as withholding state highway funds or other payments to ensure the completion of comprehensive land use plans).
- Towns may ignore the regional planning process--even if they create impacts in neighboring towns.
- Regional plans are not binding on towns whose activities affect regional needs or resources, (except in Act 250 cases--which is already existing law).
- The very modest tax on new non-residential property to be shared on a regional basis was removed, although it comprised only 1.5% of the total non-residential property tax base and 1/2% of the total property tax base.
- The provision for towns to collect impact fees from new development was removed.

HOW CAN YOU HELP on land use planning legislation? Please take the time to call your Senator (Statehouse number is 1-800-322-5156) or jot a note (Statehouse, Montpelier VT 05602) in the next week to emphasize your wish for strong legislation in this area.

The Senate has little time; they need to hear from you right away! Opponents have been very vocal with misinformation about the "loss of local control" from any growth management legislation and questioning whether growth pressures even exist! VNRC encourages you to emphasize that growth legislation should:

- Be accompanied by property tax reform. (If you'd like more info. on this, call VNRC.)
- Include recommendations on the planning structure from Commission on VT's Future.
- Incorporate adequate funding for Housing and Conservation Trust Fund, farm assistance, and technical assistance to towns and regions to conduct planning activities.

ELSEWHERE on the legislative front...

H.221: The "bottle bill" is expected to be voted out of the Senate Nat. Resources Committee soon. They are considering adding wine bottles to the already-passed House bill which would extend Vermont's current law to include "wine coolers" and liquor bottles at 5 and 25-cent deposits respectively. Also proposed is a study to measure the availability of recycling markets for glass in the interim period before the law takes effect in 1989. VNRC supports.

H.681: This bill is the one significant piece of energy conservation related legislation that may pass this session. It has two major parts; the first instructs the Public Service Board, in considering utility rate schedules for new power projects, to use the environmental criteria from Act 250. The second part responds to the proposed cross-state natural gas pipeline that would deliver gas to southern New England and certain Vermont locations. The bill makes it clear that the Public Service Board shall investigate the impacts of such a pipeline with full public input and represent the state in federal permit proceedings. VNRC supports.

H.365: Would preempt towns from passing specialized ordinances that regulate hunting, fishing and trapping. In testimony, VNRC emphasized that, "Vermont's wildlife is a resource held in public trust...which must be managed from a statewide perspective." The Council recommended removing a provision in the House bill, however, that prevented the filing of "nuisance suits" from anyone aggrieved by the negligent use of firearms or other hunting practices. VNRC supports.

S.295: This forestry bill has a twofold purpose; to initiate regulatory guidelines for wood-chip harvesting operations, and to provide funds to conduct a detailed study of wood-chip operations in Vermont and the resource base that supplies this industry. The first part, however, which was intended to standardize harvesting practices to match those operations who supply the Burlington Electric Plant, was stricken from the Senate version of the bill pending the study results. VNRC supports.

S.268: This "enforcement bill," which garnered attention earlier in the session, would give the Agency of Natural Resources the ability to levy administrative penalties for a range of permit programs following hearings before an independent examiner. The bill was the subject of intense criticism from the development community even though they agreed that environmental enforcement needs improvement. The bill has been stalled in the Senate Judiciary Committee and the chance for passage is slim. VNRC supports.

H.398: Work on the "reclassification bill" was successfully completed in the Senate Natural Resources Committee. This bill is expected to clarify the cumbersome and controversial reclassification procedures used in the Ottauquechee River case and provide for broad public input in any future reclassifications. VNRC supports.

H.762: The "Lakes Cleanup" bill provides \$12 million to a revolving loan fund to continue sewage abatement programs on lakes and rivers. VNRC supports.

H.734: This bill would institute a state ban on polystyrene packaging containing "CFC's" to take effect in July of 1989. The bill is in the Senate. VNRC supports.

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