Legislative Highlights for the 2024-2025 Session
(continued)

H.454 An Act Relating to transforming Vermont's education governance, quality, and finance systems encompasses two primary initiatives. Firstly, it establishes a task force tasked with creating new district boundaries aimed at forming larger, more efficient governance units. These proposed boundaries will be subject to a vote in the 2026 legislative session. Secondly, the bill transitions education funding to a foundation formula, wherein districts will receive a fixed per-student allocation. Legislators anticipate that this change will benefit property taxpayers in most Vermont towns. While districts may still raise additional funds locally, the bill imposes a ceiling on the amount of extra funding permissible. These reforms are slated to take effect on July 1, 2027, contingent on the legislature's approval of the district boundary modifications in 2026.

The bill also introduces changes to current property tax classifications by adding categories for non-homestead nonresidential, and non-homestead residential properties.

Awaiting Governor's signature as of 6/25/25. Various effective dates. View bill status here.

S.109 Misc Judicial Bill includes a new curative statute for deeds of record more than 15 years executed under POA where the POA is also not of record. **27 V.S.A. § 348 is amended to add a new subsection (f), as follows:**

(f) Notwithstanding section 305 of this title, a deed, mortgage, lease, or other instrument executed for the purpose of conveying or encumbering real property executed by a person purporting to act as the agent or attorney-in-fact for the party named in the deed, mortgage, lease, or other instrument that has been recorded for at least 15 years in the land records where the real property is located shall be valid even if no power of attorney authorizing and empowering an agent or attorney-in-fact appears of record, unless, within 15 years after recording, an action challenging the validity of the deed, mortgage, lease, or other instrument is commenced and a copy of the complaint is recorded in the land records of the town where the property is located.

Effective upon passage (signed by the Governor on 6/12/25).

S.3 An Act Relating to the Transfer of Property to a Trust

This bill provides that when property owned by spouses as tenants by the entirety is transferred into a trust, each spouse retains the same immunity from creditor claims against the property that the spouses had before they transferred the property into the trust.

Effective upon passage (signed by the Governor on 4/24/25).

S.127 An Act Relating to Housing and Housing Development

This bill proposes to make multiple changes related to housing programs. Specifically, the bill proposes to make amendments to the Vermont Rental Housing Improvement Program and create the Manufactured Home Improvement and Repair Program, create the Vermont Infrastructure Sustainability Fund, allow for tax credits for the First-Generation Homebuyer and Down Payment Assistance Program, make changes to the Brownfield Property Cleanup Program, create a study committee related to disability housing, and require multiple housing-related reports. This bill additionally proposes to create the Community Housing Infrastructure Program, administered by the Vermont Economic Progress Council, to authorize municipalities to use tax increment financing to pay for infrastructure that will stimulate the development of housing.

Section 17a of the bill amends Title 9, Chapter 77 re: Smoke and Carbon Monoxide Detectors. **Old:** Photoelectric type only; **New**: Photoelectric type or UL 217 Compliant.

Effective upon passage (signed by the Governor on 6/12/25).