

1 Introduced by Senator Sirotkin

2 Referred to Committee on

3 Date:

4 Subject: Property; deed restrictions; municipal bylaws

5 Statement of purpose of bill as introduced: This bill proposes to invalidate  
6 new binding agreements that would prohibit the construction of accessory  
7 dwelling units and development of small lots able to connect to municipal  
8 water and sewer service.

9 An act relating to deed restrictions and housing density

10 It is hereby enacted by the General Assembly of the State of Vermont:

11 Sec. 1. 27 V.S.A. § 545 is amended to read:

12 § 545. COVENANTS, CONDITIONS, AND RESTRICTIONS OF

13 SUBSTANTIAL PUBLIC INTEREST

14 Deed restrictions, covenants, or similar binding agreements added after

15 ~~January~~ July 1, 2021 that prohibit or have the effect of prohibiting land

16 development allowed under a ~~municipality's bylaws~~ 24 V.S.A. § 4412(1)(E)

17 and (2)(A) shall not be valid. This section shall not affect the enforceability of

18 any property interest held in whole or in part by a qualified organization or

19 State agency as defined in 10 V.S.A. § 6301a, including any restrictive

20 easements, such as conservation easements and historic preservation rights and

1 interests defined in 10 V.S.A. § 822. This section shall not affect the  
2 enforceability of any property interest that is restricted by a housing subsidy  
3 covenant as defined by section 610 of this title and held in whole or in part by  
4 an eligible applicant as defined in 10 V.S.A. § 303(4) or the Vermont Housing  
5 Finance Agency.

6 Sec. 2. EFFECTIVE DATE

7 Notwithstanding 1 V.S.A. § 214, this act shall take effect retroactively on  
8 January 1, 2021.

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