

STATE OF VERMONT

EXECUTIVE DEPARTMENT

EXECUTIVE ORDER NO. 06-25

[Promoting Housing Construction and Rehabilitation]

WHEREAS, the persistent application of well-intentioned, but now counterproductive land use regulations, energy policies, taxes and fees have resulted in a severe shortage of quality, affordable housing that is undermining the state's economic future, ability to attract and retain working families, and the availability of good jobs; and

WHEREAS, without action the Housing Unit Deficit will continue to grow, exacerbating our demographic crisis, weakening Vermont's economy, and leaving fewer resources for education, healthcare, social services, transportation infrastructure, as well as supportive housing, recovery housing and emergency shelters, while the costs of all these essential services continue to rise; and

WHEREAS, when first elected I worked with the Legislature to pass what was, at the time, the largest investment in housing in the state's history, including a \$37 million "Housing for All" bond in 2017 (FY18), emphasizing both funding and regulatory reform in all legislative sessions since; and

WHEREAS, for the period 2021-2024, \$338 million of onetime relief and recovery money was put into housing initiatives, on top of \$118 million of traditional investments in housing, for a total of more than \$456 million; and

WHEREAS, these post-pandemic investments have created or preserved about 2,000 units of permanent housing to date, and the Administration expects to create or preserve about 1,000 more by the end of 2027, for a total of about 3,000 state-supported housing units for the period 2021-2027; and

WHEREAS, in this time, largely in response to multiple emergencies, we've learned to be much more nimble, and resourceful; and

WHEREAS, new and now proven tools include the Vermont Housing Improvement Program, capable of rehabilitating unsafe and underutilized units, or converting commercial space to residential, with an average state investment of roughly \$40,000 per unit, creating about 700 units since 2021 with nearly 500 more in the pipeline; the Middle Income Homeownership Development Program and the Rental Revolving Loan Fund, supporting construction of new homes for middle income households; the Manufactured Home Improvement and Repair Program, creating or improving lots for about 200 units at an average cost of about \$14,000 per lot, and repairing 333 homes since 2023 at a cost of less than \$13,000 per unit; Healthy Homes which has invested nearly \$42 million to improve drinking water and wastewater service at the

homes of more than 7,000 low-income Vermonters; and the Rapid Response Mobile Home Infill Program which has created 100 new mobile home sites and placed 100 new, energy efficient mobile homes across the State at a cost of \$130,000 per unit in less than two years; and

WHEREAS, the Vermont Housing and Conservation Board, the Vermont Housing Finance Agency, the Vermont Community Development Program, and other funders continue to fund dozens of new affordable housing units per year with hundreds of new affordable housing units in the pipeline slated for construction or completion through the end of 2027, often at a total development cost of \$600,000 per unit, and hundreds of existing affordable units are funded for rehabilitation or preservation each year; and

WHEREAS, despite this unprecedented, focused commitment of state resources, there remains an annual statewide Housing Unit Deficit of over 5,000 units as identified by the [Vermont Housing Needs Assessment](#), which can only be addressed through more private investment, and substantial regulatory reform; and

WHEREAS, over the last several years, many of Vermont's state, local, and federal leaders have called for action on housing, citing a housing crisis; and

WHEREAS, despite the clear, urgent need to reduce the cost of housing, and to retain and recruit new working families by rehabilitating or building many more housing units each year, Vermont's Legislature, in passing Act 181 of the Laws of 2024 over my veto, expanded Act 250 regulation, and offered only certain limited and short-term exemptions and a restrictive and geographically narrow framework for future long-term exemptions; and

WHEREAS, regulatory barriers, lengthy and costly multi-tiered permitting processes, unpredictable appeal processes, and unaffordable and technically challenging energy standards significantly increase construction costs, delay timelines, impair economic opportunity, and exacerbate Vermont's demographic and affordability crises; and

WHEREAS, optimizing total permitting time, modernizing and coordinating permitting processes, and better utilizing technology to improve efficiency, will benefit both Vermonters and Vermont's environment; and

WHEREAS, frivolous zoning appeals and case backlogs in our courts are a deterrent to private capital investments in housing; and

WHEREAS, accelerated executive action is needed to address the critical housing shortage and the compounding consequences of policies that no longer serve Vermont's best interests; and

WHEREAS, in accordance with the Vermont Constitution Chapter II, Sections 3 and 20, 3 V.S.A. § 209, § 2001, and § 2102 and 32 V.S.A. § 704a, the Governor has authority to direct executive agency actions and operations to prioritize support for housing development, reduce

unnecessary obstacles and require administration of state programs in an efficient, effective and fiscally prudent manner; and

WHEREAS, the Governor, through the Commissioner of the Department of Public Service, has discretion to ensure reasonable, affordable, achievable and sustainable building standards for Vermont residents and builders; and

WHEREAS, 30 V.S.A. § 202a establishes the general energy policy of the state is to, among other things, “ensure to the greatest extent practicable that Vermont can meet its energy service needs in a manner that is adequate, reliable, secure, and sustainable; that ensures affordability and encourages the State's economic vitality”; and

WHEREAS, 30 V.S.A. § 51 requires amendments to the Residential Building Energy Standards (RBES) to be consistent with both state energy policy and state housing policy, and cost-effective and affordable from the consumer’s perspective; and

WHEREAS, Act 151 of the Laws of 2024 allowed the Commissioner of Public Service to “direct the timely and appropriate revision of the RBES” after the issuance of updated standards for residential construction under the International Energy Conservation Code (IECC); and

WHEREAS, Vermont homeowners, builders, and economic development professionals have raised significant concerns about the Residential Building Energy Standards (RBES) and Commercial Building Energy Standards (CBES), specifically the unreasonable costs to comply, feasibility, readiness related to training of professionals, and the very negative impacts on housing affordability; and

WHEREAS, using discretion granted in Title 30, Vermont must take into consideration both state energy policy and state housing policy, cost-effectiveness and affordability from a working Vermonter’s perspective – as well as the State's overall economic competitiveness and vitality -- it is appropriate to allow homeowners, builders and contractors to comply with the 2020 or 2024 RBES and CBES; and

WHEREAS, this compliance flexibility, which shall be paired with education and training by the Department of Public Service and the Division of Fire Safety, will provide flexibility to reduce construction costs, and exceed the standards implemented in most states; and

WHEREAS, under 10 V.S.A. § 914, the Secretary of Natural Resources has discretionary authority to make wetland determinations and designate unmapped Class II wetlands (“The Secretary may, upon a petition or on his or her own motion, determine whether any wetland is a Class II ...”) and similarly has the ability to modify the required width of buffers surrounding Class II wetlands in appropriate instances; and

WHEREAS, I have determined that using this authority to limit wetlands permitting oversight to consider only mapped Class II wetlands as they currently appear in the most-current Vermont Significant Wetlands Inventory (VSWI) when issuing wetland permitting decisions for housing,

as well as mixed use projects in designated growth areas, will provide greater regulatory certainty, and expedite review timelines, consistent with recent legislative efforts, such as Act 47 of the Laws of 2023, the Vermont Home Act, intended to reduce the regulatory burden for infill development and responsible growth; and

WHEREAS, this Executive Order also prioritizes housing unit generation through accelerated and streamlined regulatory review while maintaining environmental protections and legal compliance.

NOW, THEREFORE, I, Philip B. Scott, Governor of the State of Vermont, by virtue of the authority vested in me by the Vermont Constitution and the laws of this State, do hereby order as follows:

Section I: Building Energy Code Reform

1.1 Reinstatement of 2020 Standards

- All persons commencing building construction projects on July 1, 2024 or after shall have the option of complying with the 2020 Vermont Residential Building Energy Standards (RBES), Commercial Building Energy Standards (CBES), including the 2020 Stretch Code, *or* the 2024 RBES and CBES.
- The Land Use Review Board shall update Act 250 materials to reflect that the 2020 Stretch Code is permissible.
- Materials provided by the Commissioner of Public Service shall inform and allow for either building energy standard and specify that the flexibility is intended to be used to make housing more affordable for the buyer.
- The Department of Public Service and the Agency of Commerce and Community Development shall both immediately notify the public, municipalities, builders, and other stakeholders of this option.
- The Department of Public Service, in coordination with other relevant state agencies, shall continue trainings and encourage voluntary compliance with the 2020 or 2024 building energy standards.

1.2 Implementation Review

- By May 31, 2026, the Department of Public Service shall submit a report advisory to the Governor analyzing:
 - Cost impacts of the RBES and CBES on housing affordability;
 - Compliance with 2020 codes and information from the small sample size of 2024 compliant builds;
 - Recommended modifications to balance energy goals with increased housing unit revitalization *and* new unit production as it relates to future building energy code updates, and any other energy-related considerations of significance; and
 - Energy code standards implemented across the mid-Atlantic Region and New England to assess regional consistency and Vermont's competitiveness.

Section II: Expedited Permitting and Review Processes

2.1 Shortened Review Timelines All state agencies and departments, and boards and commissions with a majority of members appointed by the Governor with housing-related permitting authority shall:

- Prioritize residential housing, including mobile home, and shelter applications for review.
- Establish timelines for review periods for all regulatory processes currently operating without them.
- Hear only testimony necessary for a full and fair determination of the proceeding to ensure expedited proceedings.
- Reduce discretionary (as opposed to minimum mandatory) review periods, with a goal of reducing the timeline by 50% for residential housing and shelter projects, considering minimum mandatory notice and comment periods.
- Adhere to timelines for housing and emergency shelter developments, and if exceeded, the failure of the public body to issue a decision within the applicable period shall be deemed approved unless an extension is legally required.
- Concurrently process multiple permits rather than require sequential review. This shall include the Land Use Review Board which shall process Act 250 permits concurrently with, but subject to, other agency permitting processes.
- Issue decisions within 60 days of hearing completion for housing - including, but not limited to, mobile home projects, shelter projects, and mixed-use projects.

2.2 Fee Relief for Housing Projects State agencies and departments, and boards and commissions with a majority of members appointed by the Governor with housing-related permitting authority are directed to:

- Forward for consideration in the policy and budget development process proposals to reduce permitting fees for multi-family housing projects, including mobile home communities and mixed-use projects with a housing component, funded in whole or in part with state general fund appropriations and producing a majority of its units in a price range, to be determined by the Secretary of the Agency of Commerce and Community Development, but not to exceed what the median working family in Vermont could reasonably afford.
- Allow deferred payment of fees until project completion for prioritized housing projects, as determined by the Secretary of Commerce and Community Development.
- No later than December 1, 2025 notify the Commissioner of the Department of Finance and Management of the forecasted fiscal management considerations, if any, of these changes.

2.3 Priority Processing Administratively and technically complete permit applications for multi-family housing, shelter and mobile home development, mixed-use projects with a multi-family housing component, and permits required in connection with multi-family rehabilitation projects shall receive priority processing ahead of other non-housing applications within each agency's workflow.

Section III: Environmental Review Streamlining

3.1 Wetlands Modification For residential housing and mixed use projects that include a housing component in designated areas, such as Downtowns, Village Centers, New Town Centers, Growth Centers, Neighborhood Development areas, and Opportunity Zone areas served by public sewer, or with soils that are adequate for wastewater disposal, or extending to the terminus of the areas served by public sewer or water services if beyond area of the development district; areas that receive a Tier 1A or 1B designation under 10 V.S.A. §6033, and locations meeting the eligibility requirements established in 10 V.S.A § 6081(z) for an interim exemption from Act 250 permit or permit amendment requirements:

- Class II wetlands are limited to those features identified on the most current VSWI maps and no state wetland permits are required for impacts to unmapped Class II wetlands.
- Protective buffer zones around Class II wetlands are reduced to 25 feet.

Projects must comply with federal wetland requirements. Additionally, no later than February 1, 2026, the Agency of Natural Resources shall commence rulemaking to ensure that these wetland provisions are established in rule prior to the expiration of this Executive Order.

3.2 Residential Housing Appeals To the extent the Judiciary is willing to participate in this initiative, I request that the Judiciary, to the extent authorized in Chapter II, Sections 30 and 31 of the Vermont Constitution and the Vermont Statutes Annotated Title 10, prioritize and expedite residential housing appeals as the Executive may recommend and the Judiciary deems feasible.

3.3 Streamlined Permitting Processes It is essential all gubernatorial Appointees ensure greater collaboration and coordination across programs, departments and agencies to implement a Vermonter-focused land use permitting system explicitly intended to improve and expedite the experience to revitalize or build housing units.

- Permitting Modernization: Secretaries of the Agencies of Agriculture, Foods and Markets; Commerce and Community Development; Digital Services; Natural Resources; Transportation; and Public Safety; and Chair of the Land Use Review Board shall revisit and assess efforts to coordinate and streamline concurrent permitting application and review processes. Meetings shall be chaired by the Secretary of Commerce and Community Development, who shall schedule regular meetings to be held at least monthly, and more frequently as needed. The first meeting shall be held by October 1, 2025.
- The Secretary of the Agency of Digital Services shall designate a Project Manager to support this initiative.
- The assigned Cabinet members shall immediately establish a multi-disciplinary team (“MDT”) to provide increased coordination on existing multi-family housing projects (10 or more units) triggering multiple permit jurisdictions, and prioritizing projects in the counties of the state that have experienced the most substantial declines in the size of their working-age populations. The MDT shall meet every week, and additionally as needed, to streamline the permitting and approval processing for outstanding projects. The MDT shall be chaired by the Secretary of the Agency of Commerce and Community Development or designee.

- The Secretary of Commerce and Community Development shall include a status update on this initiative in Weekly Reports to the Governor including defining and reporting on Key Performance Indicators (“KPI”) for the functioning of the permitting system and the pace and location of housing unit revitalization and construction.
- The Secretary of Digital Services shall undertake and provide status reporting on the creation of a common entry system for the housing permitting process, to include an evaluation of the various state databases; how the data in each can more effectively communicate with another; what changes are necessary; and, the cost of establishing and maintaining a common entry system. The Secretary shall provide this report to the Governor by December 1, 2025.
- The Secretary of Natural Resources shall review and update guidance for high volume permitting programs associated with housing, including wetlands, stormwater, drinking water and wastewater, focusing on plain language and accessibility to the public. The Secretary shall publish a timeline for this review by November 1, 2025, and shall complete updates by July 1, 2026.

Section IV: State Land Utilization

4.1 Inventory of Available Properties By December 1, 2025, each state agency and department owning real property shall submit to the Department of Buildings and General Services and the Department of Housing and Community Development:

- Complete inventory of un- and underutilized properties suitable for multi-family housing development, housing infill, mobile home park and shelter construction and rehabilitation, as defined by the Secretary of Commerce and Community Development.
- Assessment of multi-family housing development feasibility and infrastructure capacity.
- Recommendations for disposal or long-term lease arrangements to support meeting the State’s Housing Unit Generation goals.

4.2 Expedited Disposal Process The Department of Buildings and General Services and the Agency of Transportation shall develop streamlined procedures for utilizing surplus state land suitable for housing, including:

- Preference for homebuilders and housing developers in sale decisions.
- Below-market pricing for housing developments.
- Long term leases.

4.3 Fire Safety Inventory By December 1, 2025, the Division of Fire Safety in collaboration with local boards of health, shall produce an inventory by address of all substandard and suboptimal rental housing units reported or cited within the last three years.

Section V: Interagency Coordination

5.1 Governor’s Housing Leadership Team This Housing Leadership Team, advisory to the Governor and modeled on Vermont’s nation-leading pandemic response, shall continue to meet bi-weekly, or as the Governor may require, and recommend to the Governor state and federal policies to improve housing availability, affordability and stability. The Leadership Team shall

provide regular reports on program progress, strategies, specific tactics and measurable performance metrics, operational hurdles and recommendations focused on regulatory and process reforms.

- The Governor’s Housing Leadership Team shall consist of the Secretaries of Commerce and Community Development, Transportation, Human Services, Natural Resources and the Commissioner of Public Safety or designees, as well as the Commissioner of the Department of Children and Families or a designee with a portfolio relevant to housing rehabilitation, shelter development or housing development, the Commissioner of the Department of Housing and Community Development and the Director of the Division of Fire Safety.
- The Leadership Team shall consult as needed with government and community stakeholders.
- The Secretary of the Agency of Commerce and Community Development or designee shall Chair the Leadership Team.
- The Secretary of Human Services, or designee shall report on specific and measurable interventions to reduce the number of Vermonters becoming homeless each year.

This Executive Order supersedes and replaces Executive Order No. 01-23, dated May 10, 2023 (codified as Executive Order 33-27) as of September 30, 2025.

Section VI: Brownfields and Contaminated Sites

6.1 Brownfields Economic Revitalization Alliance Program (BERA) On October 9, 2019 I issued Executive Order 08-19 (codified as 10-47) which established the BERA Program to ensure effective and efficient planning related to hazard and environmental mitigation and permitting related to brownfields redevelopment through a “one-stop-shop” to assist landowners and developers with accessing State and federal resources, navigating regulations and permitting requirements and planning and coordinating the redevelopment of these properties on behalf of the people of Vermont.

- The Executive Order 08-19 and the BERA Program are hereby extended.
- No later than November 15, 2025, the BERA Program Executive Committee shall provide an annual report to the Governor on the status of the Coordinated Project Plans, as described in the Executive Order.
- No later than March 31, 2026, the BERA Program Executive Committee shall provide an annual report to the Governor on:
 - Current barriers to brownfields housing redevelopment;
 - Recommendations for improving the brownfields reuse process; and
 - Recommendations on how to consider technical feasibility, regional consistency, and economic impact when adopting state specific environmental media standards.

Section VII: Monitoring and Accountability

7.1 Performance Metrics Each affected agency shall track and report to the Office of the Governor, and to the Department of Housing and Community Development quarterly, beginning January 1, 2026:

- Average permit processing times for multi-family housing projects, including mobile home projects, shelter projects, and mixed-use projects;
- Number of permits issued under expedited procedures;
- Fee revenue impacts and budget adjustments needed;
- Regulatory cycles simplified or shortened; and
- Regulatory barriers identified and resolved.

7.2 Semi-Annual Review & Report By January 31, 2026, and every six months thereafter, the Department of Housing and Community Development shall provide a comprehensive assessment of this Order's effectiveness in increasing housing production and reducing regulatory timelines and costs by analyzing the reporting of the affected agencies and departments.

Section VIII: Legal Safeguards and Limitations

8.1 Federal and Safety Compliance Nothing in this Order is intended to limit the authority of state agencies and departments and boards and commissions with over 50% of the members appointed by the Governor or :

- Compromise essential health, safety, or environmental protections.
- Conflict with federal environmental laws or regulations.
- Reduce compliance with Americans with Disabilities Act requirements.
- Eliminate required public participation processes where legally mandated.

8.2 Statutory Limitations Nothing in this Order is intended to contravene the intent of the Legislature. Agencies shall:

- Identify statutory clarifications needed for effective implementation.
- Recommend emergency rulemaking where appropriate, with specific consideration of the critical housing shortage, the dire need to facilitate affordable housing and shelter construction and the imminent peril to public health, safety or welfare due to the lack of housing for Vermont's most vulnerable posed by regulatory barriers, lengthy and unpredictable permitting processes and unaffordable and often unachievable energy standards.

Section IX: Effectiveness And Duration

This Executive Order takes effect immediately and shall remain in effect unless modified or extended by subsequent executive action.

Any agency unable to implement specific provisions due to legal constraints shall notify the Governor's office immediately with recommendations for alternative approaches.



IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Vermont to be affixed this 17th day of September, 2025.

A handwritten signature in black ink, appearing to read "Phil Scott", is written over a horizontal line.

Philip B. Scott
Governor

ATTEST:

A handwritten signature in black ink, appearing to read "Jaye Pershing Johnson", is written over a horizontal line.

Jaye Pershing Johnson
Secretary of Civil and Military Affairs

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