



# Act 181 for Municipalities

Act 181, passed into law June 2024, overhauls Vermont's planning framework for coordinating state, regional, and municipal land use. Recognizing that some areas of Vermont are planned for growth, contain necessary infrastructure (e.g. water, wastewater), and have sufficient local zoning regulations in place to adequately regulate development, Act 181 (H.687) modernizes how Vermont maps future land use, directs public investments to designated centers, and transitions Act 250 to location-based jurisdiction.

## Future Land Use Mapping

Act 181 created consistent land use categories that all regional planning commissions must use in their regional plans to create a Future Land Use (FLU) map. The FLU map will guide development in the region by designating areas for growth, conservation, and other purposes, based on a variety of local factors. The FLU Map will be used to determine Act 250 location-based jurisdiction and designated areas.

## Designation Areas

Center Designations: Steps 1, 2, and 3 with increasing levels of benefits and incentives.

**Step 1:** All areas mapped and approved as village or downtown centers are automatically considered as Step 1

**Step 2:** similar to village center program, municipality must apply

**Step 3:** similar to downtown designation program, municipality must apply

## Act 250 Tiers

**Tier 1A:** Exempts all subdivisions, developments, or permit changes from Act 250 permitting; municipalities can apply to the Land Use Review Board (LRB) for this status after January 2026

**Tier 1B:** Exempts housing projects of 50 units or fewer on 10 acres of land or less, and mixed-use developments; RPCs follow process for requesting status from LRB at the request of the municipality

**Tier 2:** No exemptions

**Tier 3:** Critical resource areas, to be determined through separate rule-making process

## Public Participation

Act 181 revises the adoption process that regional plans undergo to provide the opportunity for more comprehensive public participation with a focus on environmental justice (EJ) focus populations as defined in 3 V.S.A 6002. RPCs must evaluate the distribution of environmental benefits and burdens of regional plans, including the FLU map.

For a complete summary of Act 181, visit [bcrvvt.org](http://bcrvvt.org)

Contact: [spage@bcrvvt.org](mailto:spage@bcrvvt.org) with questions