

WHAT YOU NEED TO KNOW ABOUT ACT 181

\$38K-\$200K

Potential additional costs to build a house or road under Act 181 on Tier 2 or 3 properties

Act 181, passed in 2024, rewrites Vermont's land-use law (Act 250) established in 1970. The statute divides the entire state into consistent land use categories as established by regional planning commissions and into regulatory tiers. If you own a farm or a family forest, you're likely in Tier 2 or 3. This means you'll need a permit just to build a driveway or a house for your kids. The price tag is huge, and it's hitting local families the hardest.

Rural Conservation

Lands designated as Rural Conservation areas by Regional Planning Commissions, will be considered under Tier 3 by the Land Use Review Board (LURB).

Tier 3 lands are either already conserved (state, federal, or private land trust) or are considered to contain significant natural resources.

Natural resources data are based on desktop studies done by the Natural Resources Board (NRB) and Agency of Natural Resources (ANR).

Road Rule

Lands designated as Tier 2 or Tier 3 are also subject to the new Road Rule.

Under this rule, you must obtain an Act 250 permit if you build a single road longer than 800 feet or a combined network of roads and driveways that total more than 2,000 feet.

Act 250 currently only has jurisdiction triggered by elevation (>2,500 feet) and scale or development (i.e. multi-lot subdivisions). The majority of individual houses built on existing lots do not require Act 250.

Under this new road rule, an Act 250 review would be triggered for a new single-family home, which involves evaluating your project for impacts against 10 environmental and social criteria.

LURB Control

The Land Use Review Board (LURB) is a full-time professional 5-member board which replaces the former Natural Resources Board and is charged with the primary authority to implement the new tier-based Act 250 jurisdictional framework.

Under Act 181, the LURB acts as an advisory body and, in certain scenarios, can overturn a town's denial and approve a project. Its authority to "implement" a project lies on Tier 1A/1B areas. The LURB was created to modernize Act 250 and, specifically high-priority "growth" areas. It has the authority to ensure that projects that comply with state planning goals are not unjustly denied at the local level, even if the town is unresponsive.

New Tier Classifications

Tier 1A (Downtowns, Villages, Planned Growth)

Targeted for high-density, mixed-use development. These areas require municipal water/wastewater, adopted bylaws, and pedestrian-oriented planning. Act 250 jurisdiction is greatly reduced or eliminated to encourage housing and development.

Tier 1B (Village Areas)

Smaller-scale growth areas adjacent to core centers, designed to encourage smart growth while having reduced Act 250 jurisdiction.

Tier 2 (Rural General and Rural Ag/Forestry)

Covers the majority of the state, including areas that are not designated for specialized, high-growth, or protected status. This tier operates under existing "status quo" Act 250 regulations for development but is subject to the new Road Rule.

Tier 3 (Critical Natural Resources)

Focuses on protecting sensitive ecosystems, including headwater streams, wildlife corridors, and high-elevation areas (typically above 2,500 feet). Act 250 jurisdiction is heightened here to ensure projects minimize impacts, potentially applying to small developments, though it is not a complete ban.

Relevant Definitions

Headwater: Generally defined as the uppermost, high-elevation, and smallest segments of a watershed including the springs, seeps, and streams where a river begins. Under Act 250, 'headwaters' are the sensitive high-elevation lands—usually above 1,500 feet—where our streams begin and our public water supplies are recharged, requiring special protection to prevent downstream pollution and flooding.

Wetland: Vermont groups wetlands into three categories based on their importance: Class I are our rarest 'crown jewels' with the most protection, Class II are significant areas that protect our water and wildlife, and Class III are smaller pockets that don't meet the state's threshold for special buffering.

Stormwater: Stormwater is rain or melted snow that doesn't soak into the ground, but instead 'runs off' our roofs and driveways—picking up pollutants and gaining speed until it flows into our local streams and lakes.

Erosion: Soil erosion is what happens when rain or wind washes away bare dirt, carrying it off the land and into our roads and streams where it can cause clogs and pollution.

Stream: The definition of a stream includes perennial streams as well as intermittent streams where there is a defined channel and evidence of sediment transport, regardless of whether there is surface water flow throughout the year.

Riparian Buffer: A riparian buffer is a 'living filter'—usually a 50-to-100-foot strip of natural vegetation along a streambank—that is legally protected to prevent property erosion, filter out pollutants before they reach our drinking water, and keep our streams cool for fish.

Primary Agricultural Soils: Primary Agricultural Soils are high-quality, USDA-mapped farming lands or areas recently used for agriculture that are protected under Vermont's Act 250 to ensure continued food production. The definition includes soils with prime, statewide, or local importance, though some areas may be excluded that have lost their agricultural potential due to development or physical barriers.

Estimated Cost Breakdown for an Act 250 Permit

Survey and Subdivision Plan	: \$8,000 - \$30,000
Legal fees	: \$10,000 - \$35,000+
Engineering (septic, traffic, stormwater)	: \$8,000 - \$45,000
Environmental consultant	: \$5,000 - \$20,000
Application fees	: \$500 - \$10,000
Expert witnesses (if contested)	: \$5,000 - \$15,000
Baseline total	: \$38,000 - \$200,000

"SAVE RURAL VERMONT" IS AN ORGANIZATION RUN BY PRIVATE VERMONT CITIZENS. IF YOU WOULD LIKE TO GET INVOLVED, DONATE, OR JUST STAY INFORMED, PLEASE CONTACT US AT SAVERURALVERMONT@GMAIL.COM WITH EMAIL SUBJECT "SRV".

- ! Deadline: 800-ft Road Rule – Public Comments Due April 30, 2026. Rule Effective: July 1, 2026**
- ! Deadline: Tier 2 and Tier 3 Restrictions – Public Input Through May 31, 2026. Rule Effective: December 31, 2026**

◆ Act Now or Lose Your Rights ◆