

LEGISLATIVE UPDATE

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Issue 10

ejc Consulting
6147 VT RTE 116, Starksboro, VT 05487
ejcconsultingvt@gmail.com
802 233 9563

WEEK 10

The week back after town meeting break proved a little challenging. The Legislature had to deal with a blizzard creating scheduling conflicts for witnesses and then trying to get bills out of committee, for crossover, so that the other body has time for adequate testimony and discussion on the legislation.

WATER QUALITY

The House Ways and Means committee did receive the water quality-funding bill from House Natural Resources and Fish and Wildlife at the end of February. The committee has not taken much testimony on the bill. It is considered a money bill so the crossover date is next Friday. I would expect that the committee would spend most of next week hearing from witnesses on this topic.

ACT 250

The following bills deal with some part of ACT 250

H-424 An act relating to the Commission on Act 250: the Next 50 Years

This bill proposes to create a commission to review and make recommendations on improving the effectiveness and efficiency of Act 250 as currently implemented in achieving its goals. The commission's tasks would include review of the Act 250 criteria in light of current science and research and issues that have emerged during those 50 years, such as climate change; review of potential changes to Act 250 jurisdiction to encourage development in designated centers and protect natural resources outside those centers; review of the efficiency of the application and appeals process and ways to improve the process for all participants, including applicants and other parties, and to ensure that it continues to encourage citizen participation; and review of the current administrative structure of the Act, including the role of the Natural Resources Board.

The House Natural Resources, Fish and Wildlife spent most of the week discussing **H-424**. There was general consensus from most stakeholders that it was time to take a deep

dive into what has worked and what has caused issues and what needs to be addressed going forward with ACT 250.

The bill creates a commission that will meet over a two-year period to study ACT 250. The bill includes areas that the legislature wants explored.

The latest version of the bill includes the following language that the commission would report back on:

(A) examining changes to improve the ability of the Act to protect forest blocks and habitat connectivity;

(B) reviewing the scope of Act 250's jurisdiction over projects on ridgelines, including the ability of the Act to protect ridgelines that are lower than 2,500 feet, and projects on ridgelines that are expressly exempted from Act 250;

H-424 passed out of the committee this afternoon on a vote of 7-2.

H-233 An act relating to protecting working forests and habitat

This bill proposes to amend the criteria and jurisdiction of the State land use law, known as Act 250, to protect forest resources in order to support the forest economy, water quality, and habitat. The bill aims to do this by adjusting the definition of development by including language about the proximity of a project to a "highest priority interior forest block," or a "habitat connectivity area."

As of this afternoon the House Natural Resources, Fish and Wildlife committee is not looking to pass out **H-233**. The committee was comfortable with the language in **H-424** that the commission study forest blocks and ridgelines. I will closely track both of these bills and the impact they would have on forestland.

H-194 An act relating to priority housing projects under ACT 250

This bill proposes to amend 10 V.S.A. chapter 151 (Act 250) with respect to the construction of priority housing projects.

This bill proposes to remove the threshold cap on the number of units that may be built in municipalities with a population of 10,000 or more. Currently, priority housing projects in the state's largest municipalities are exempt from Act 250 review if they contain 274 or less units of housing and would be located in a designated center. The projects are still subject to local review. The bill also removes the requirement that at least 20% of the

housing units in these priority housing projects be affordable housing for no less than 20 years.

WORKERS COMP

H-374 An act relating to reducing the cost of workers' compensation in high-risk occupations and industries

This bill proposes to direct the Department of Financial Regulation to identify industries and occupations whose workers' compensation insurance pools are characterized by high risk, high premiums, and few policy holders, and to examine various approaches to reducing the cost of workers' compensation for these industries and occupations, including the use of risk pooling, self-insured trusts, voluntary safety practice certifications, and best practices from other states.

Commissioner Sam Lincoln will be testifying Thursday morning at 9:00 in House Commerce on this bill.

FROM THE LAKE CHAMPLAIN REGIONAL CHAMBER OF COMMERCE

Budget Differences Spark Hostility

House Democratic Leaders held a press conference this week, calling on Governor Scott to work with them to solve the state's budget gap. [As reported by Seven Days](#), House Majority Leader Jill Krowinski (D-Burlington) commented, "He's shirking his responsibilities as governor." The comments drew a swift response from the Governor's administration, which issued a press release stating, "The House has had seven weeks to explore and propose ideas to balance the budget in a way that addresses our economic, workforce and affordability challenges - as the Governor did in his budget. They've accepted the majority of the savings proposals offered by the Governor, while offering no alternatives beyond the threat of across-the-board cuts to services and putting frontline staff at risk of layoffs." The House Appropriations Committee continues to work on their version of the state's FY18 budget, meanwhile the House Ways and Means Committee is targeting approximately \$5 million in revenue to help close that gap, possibly through additional collection and enforcement efforts. The Chamber is opposed to any new taxes or fees. We feel that budgets need to match current revenues and that given the uncertainty created by changes at the federal level and the potential for substantial impacts to Vermont's budget next year, raising additional revenue would be imprudent.

Senate Economic Development Bill Update

The Senate Committee on Economic Development, Housing & General Affairs continued discussing and hearing testimony on various aspects of their omnibus economic development bill. The **current draft** is 42 pages long and includes a wide range of proposals. The committee plans to vote out the bill by the end of the day today.

Currently, the bill includes:

- Adds purpose language to the enhanced incentives for "Qualifying labor markets" and "environmental technology business" within the Vermont Employment Growth Incentive.
- Changes to the prohibition of monetary compensation in exchange for withdrawal of an appeal or complaint concerning an Act 250 application. A nearby, for-profit property owner may be offered monetary compensation in exchange for withdrawing an appeal or complaint against a development seeking Act 250

approval, only if the compensation will help mitigate the effect of the development.

- Creates the Green Mountain Secure Retirement Plan that would be voluntary, available to businesses with 50 or less employees that do not already offer a retirement plan and self-employed individuals. The bill creates an interim study of the proposed system with it being implemented on January 15, 2019.
- Increases penalties for violations of workers' compensation.
- Lowers the rate for workers' compensation insurance, from 1.75% to 1.4% of the direct calendar year premium for workers' compensation insurance.
- Creates a study to look at raising the minimum wage and how best to deal with the benefits cliff.
- A continuation of the airplane parts sales and use tax exemption.
- Appropriations:
 - \$350,000 from the general fund to Vermont Small Business Development Center (SBDC) (\$250,000 for increasing number of business advisors and \$100,000 for SBDC position of technology commercialization advisor.)
 - \$250,000 from the general fund to the Agency of Commerce and Community Development for economic development marketing.

Below is the link to the Vermont Legislative website

Legislature.vermont.gov

**CELEBRATE WITH VTC AND UVM
20th Anniversary of the 2 + 2 Program**

Dairy Reception

Thursday March 30th, 2017

4:00 to 6:00

Cedar Creek Room

At the Statehouse

ALL ARE INVITED

Meet the new students and their parents

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Coming together is a beginning, keeping together is progress, staying together is success”

– Henry Ford

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