

# LEGISLATIVE UPDATE

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Issue 4

*ejc Consulting*  
6147 VT RTE 116, Starksboro, VT 05487  
[ejcconsultingvt@gmail.com](mailto:ejcconsultingvt@gmail.com)  
802 233 9563

## WEEK 4

Governor Scott gave his first budget address on Tuesday. There were surprises and bold initiatives in the address. Governor Scott indicated that he would not propose any new taxes but would redirect and restructure state priorities. Education was area where there was a significant shift. He indicated that he wanted to invest in pre-K and higher education, increasing support to the State College system and UVM. He also pledged \$1 million to VSAC's Non-degree Grant Program. The program seeks to help Vermonters advance their careers and provide employers with skillful employees to fill their openings. He is also asking school boards to level fund their budgets. Listening to the discussions in the statehouse around the Governor's proposals it does not sound like they will go very far.

## BUDGET SPECIFICS

### Education

- \$9.6 million in early care and pre-kindergarten (\$7.5 million in additional child care subsidies, \$2.1 million toward pre-k, grants and pilots)
- \$6 million toward the Vermont State Colleges, University of Vermont and Vermont Student Assistance Corporation (VSAC)
- The Governor proposed requiring teachers and other school employees to pay 20% of their health insurance premiums, putting them on par with state employees. The change would save \$15 million.

### Housing

- The Governor has proposed a \$35 million housing bond, in

partnership with the Vermont Housing and Conservation Board to expand housing across a wide range of needs from "from homeless populations to home ownership for middle-income families."

### **Economy**

- The Governor's budget invests \$750,000 in economic development marketing to attract more businesses and more employees to Vermont. The Administration hopes to leverage another \$750,000 in private funding in order to bring the campaign to \$1.5 million.

### **Lake Clean Up**

- Governor's capital and transportation budgets commit \$20 million in each of the next two years for clean-up of impaired waterways and another \$10 million from existing revenue and other sources.

## **WATER QUALITY**

The House Natural Resources, Fish and Wildlife spent time discussing **H-38**, An act relating to the membership of the Clean Water Fund Board, this board recommends to the Secretary of Administration expenditures from the Clean Water Fund. Originally the board was comprised of the Secretaries of ANR, Agriculture, Transportation and Economic Development. The Committee felt it was important to include the public and municipalities. The new version of the bill includes 6 members of the public (2 from municipalities) and also directs that the four major watersheds of the state be represented.

This bill has passed out of House Natural, Fish and Wildlife and is now in House Appropriations.

## **WAGES**

The House Committee on General, Housing and Military Affairs took up bills **H-64** and **H-93**, both dealing with increasing the minimum wage to \$15.00 an hour. **H-64** requires the \$15 an hour wage by 2019 and **H-93**

by 2022. The Democratic caucus supports **H-93**. There was discussion around the challenge of the “benefits cliff”, those falling off benefits when wages increase. This is just the beginning of this conversation and if you have concerns or would like to testify on this issue please contact me.

## **WORKING LANDS**

Thursday the Working Lands Board presented their Annual Report to House and Senate committees. The Working Land Initiative invests in Vermont’s working lands to increase production, create jobs by supporting technical and business assistance. Over the years they have funded 129 agriculture and forestry projects and distributed over \$3.8 million dollars.

The grantee survey that was done in 2016 by 91 of the 129 grantees indicated the following

- 98% entered new markets/new customers
- 68% improved efficiency
- 33% hired new staff
- 30% increased employees wages
- 45% increase environmental stewardship
- 36% improved safety

The full report can be found at [workinglands.vermont.gov](http://workinglands.vermont.gov)

## **FROM THE LAKE CHAMPLAIN REGIONAL CHAMBER OF COMMERCE**

### **S.10 Introduction and Discussion**

This week the Senate Committee on Natural Resources and Energy continued their discussion of [S.10](#) - An act relating to liability for the contamination of potable water sources. This bill calls for any person or business that emits PFOAs into the air, land, or water is liable for the costs to extend a municipal water system to any building that the State

has deemed contaminated by PFOAs. Senators Campion and Sears introduced S.10 from Bennington County in response to the PFOA issue. However, it is important to note that this bill could have implications across the state on similar potable water contamination issues.

## **BILLS**

**H-109** An act relating to portable employment benefits and contingent workers

This bill proposes to create a study committee to study contingent work and workers in Vermont and to study mechanisms for creating portable employment benefits to address the needs of individuals who are freelance workers in e-commerce, self-employed workers, contingent workers, or workers in the “on-demand” economy.

**H-110** An act relating to excluding reinvested capital gains from Vermont’s income tax

This bill proposes to exclude a percentage of capital gains from Vermont’s income tax if those gains are reinvested in a Vermont company.

**H-119** An act relating to the classification of employees and independent contractors

This bill proposes to establish a common definition of “independent contractor” for the workers’ compensation and unemployment insurance statutes.

**H-137** An act relating to workers’ compensation premiums

This bill proposes to direct the Department of Financial Regulation, in consultation with the Department of Labor, to examine why premiums for workers’ compensation insurance in certain occupations are lower in New Hampshire than in Vermont and to report back to the General

Assembly with its findings and recommendations for legislative changes to reduce workers' compensation premiums in Vermont.

**H-148** An act relating to special annual overweight permits for truck combinations with six or more axles

This bill proposes to increase from 99,000 pounds to 107,000 pounds the authorized weight of truck combinations with six or more axles that may lawfully operate on Vermont highways under a special annual overweight permit issued by the Department of Motor Vehicles, and specify a fee of \$700.00 for vehicles permitted for a weight above 99,000 pounds and up to 107,000 pounds.

**S-43** An act relating to establishing a regenerative soils program

This bill proposes to require the Secretary of Natural Resources to establish a regenerative soils program whose purposes include increasing the carbon sequestration capability of Vermont soils, reducing the amount of sediment and waste entering the waters of the State, and promoting cost-effective and healthy soil management practices.

Below is the link to the Vermont Legislative website  
**[Legislature.vermont.gov](http://Legislature.vermont.gov)**

## EVENTS OF INTEREST

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**18<sup>th</sup> Annual Vermont Dairy Producers Conference**  
**Tuesday February 21, 2017**  
**8:00 to 4:00**

Sheraton Burlington Hotel and Conference Center  
Register online at [vermontdairyproducers.com](http://vermontdairyproducers.com)

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**20<sup>th</sup> Anniversary of the 2 + 2 Program**  
**Dairy Reception**  
**Thursday March 30<sup>th</sup>, 2017**  
**4:00 to 6:00**  
Cedar Creek Room  
At the Statehouse

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

– Henry Ford

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