

LEGISLATIVE UPDATE

March 3, 2017

Issue 9

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

WEEK 9

Today the legislature left for a week to observe Town Meeting Day break. Many legislators will be attending town their meetings and giving an update of this year's legislative session. I encourage you to reach out to your legislator and chat with them. This is your opportunity to voice any concerns that you may have. The next newsletter will be March 17th.

WATER QUALITY

The House Natural Resources Fish and Wildlife committee has finished their work on the water quality document. The committee sent a memo attaching their recommendations to the House Ways and Means committee on February 24. The House Ways and Means committee will now begin their work with this bill.

The chart below is a list of the funding recommendations raising about \$31 million. Many of these taxes and fees would not go into effect until FY 2019.

The Administration has been adamant that they do not support these new fees and taxes and they are committed to finding existing monies to fund the water quality work. The Administration has indicated that they will come to the legislature in January 2018 with funding opportunities.

As I have indicated in previous newsletters the House Natural Resources Fish and Wildlife committee recommends the creation of a working group that would develop a per parcel, per acre or impervious surface fee to be assessed on all property in the state. This fee would be in effect by July 1, 2021. On July 1, 2021 the revenues from the chart below would be sunset.

	What the fee or tax is	Amount	Where it goes
Sec. 1	Repeals sunset of 0.2% Clean Water Surcharge on Property Transfer Tax	\$4.7 to \$5 million	Clean Water Fund
Sec. 5	Directs that fines collected by Agency of Agriculture for water quality violations be deposited in Clean Water Fund	\$175,000 to \$225,000	Clean Water Fund
Sec. 6	Directs that fines collected by ANR for water quality violations be deposited in Clean Water Fund	\$200,000	Clean Water Fund

Sec. 7	Directs that fines collected by Attorney General for water quality violations be deposited in Clean Water Fund	No estimate available	Clean Water Fund
Sec. 15	\$10.00 Annualized Clean Water Fee on Motor Vehicle Registration	\$6 million	State and municipal storm-water for roads

Sec. 18	1% increase in rooms tax to 10% 1% increase in meals tax to 10% 1% increase in alcohol tax to 11%	\$5.3m rooms \$11.7m meals \$1.9m alcohol \$18.9m total	95% of rooms, meals, alcohol tax deposited in General Fund 5% of rooms, meals, alcohol tax deposited in Clean Water Fund
Sec. 21	Application of sales tax to rental of marina slip spaces, limousine services,	\$610,000 limos \$210,000 marinas	0.75 percent of the revenue from sales and use taxes deposited in Clean Water Fund

AGENCY OF AGRICULTURE LISTENING TOUR

Under the direction of newly appointed Ag Secretary, Anson Tebbetts, and Deputy Secretary, Alyson Eastman, the Vermont Agency of Agriculture, Food, and Markets has announced plans to host a statewide listening tour.

“I am inviting all farmers, and all Vermonters interested in agriculture, to attend these meetings, to share thoughts and ideas about the future of farming in our state,” said Tebbetts. “I want to learn about the issues that matter most to our farmers, and how the Agency can support them.”

If you have not been able to attend a previous meeting I encourage you to attend the last meeting scheduled for

Wednesday March 15 – Pavilion Auditorium, Montpelier,
6:00 p.m. – 8:00 p.m.

TILE DRAINAGE

Department of Environmental Conservation will be holding an update on the tile drainage report on Thursday March 9th from 11:00 to noon at the DEC office in the National Life complex in Montpelier. Laura DiPietro, from the Agency of Agriculture and Marlie Rupe, from DEC, will be presenting. Learn about each agency's perspective and next steps for addressing this important issue in Vermont.

RSVP to attend in person: anr.cleanwatervt@vermont.gov or call Rachel Ross at (802) 490-613

FROM THE LAKE CHAMPLAIN REGIONAL CHAMBER OF COMMERCE

Independent Contractor Update

The House Commerce Committee took testimony from a wide variety of stakeholders on three bills related to independent contractors, **H-119, H-223, H-323**. The Chamber has worked for a number of years to clarify Vermont's laws as they relate to who is an employee for the purposes of workers' compensation and unemployment insurance. Many of our members have run into difficulty on whether sole proprietors who do work under contract for them need to be treated as employees or are independent businesses with whom the company can contract. As a result of the broad application of Vermont's current law, many businesses have chosen to avoid contracting with sole proprietors/freelancers and instead do business with larger companies or individuals out of state. If your business currently uses the services of a sole proprietor or freelancer, it is possible that the Department of Labor would consider that person an employee and look for back taxes as well as apply fines.

The Chamber believes that a new, clear definition of an independent contractor is needed.

Recognizing that individuals can choose to go into business for themselves for any number of reasons - supplementing their income, improving their work/life balance or starting small with a goal of growing and hiring - we feel that our laws should support this kind of entrepreneurial spirit and enable Vermont companies to find needed services in state whenever possible. Our perspective is that employee protections are valuable and should be maintained but that the issue of independent contractors is not about employees but about two businesses, one that may have no employees, and one that might, forming a business relationship.

BILLS

The two bills below have passed the House and will now be taken up in the Senate.

H-495 An act relating to miscellaneous agriculture subjects

This bill proposes to amend multiple provisions of law administered by the Agency of Agriculture, Food and Markets. The bill would amend provisions related to administrative penalties issued by the Agency. The bill would provide that rights or interests in real property acquired by the Secretary of Agriculture, Food and Markets through transactions funded in whole or in part by the Vermont Housing and Conservation Board are deemed as accepted by the Governor. The bill also would provide that an applicant for licensure or relicensure of a commercial slaughter facility has the option of submitting a good commercial practices plan for poultry instead of a livestock handling plan. In addition, the bill provides that a person who applies for a license to operate a weighing or measuring device after January 1 of each year shall be assessed a late fee according to the Agency's general authority for assessing late fees.

H-497 An act relating to health requirements for animals used in agriculture

This bill proposes to amend and update the requirements in statute related to animal health, the transport of animals within the State, and the licensing of livestock businesses.

Below is the link to the Vermont Legislative website
Legislature.vermont.gov

EVENTS OF INTEREST

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

ejc Consulting

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

– Henry Ford

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