

# LEGISLATIVE UPDATE

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Issue 16

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## WEEK 16

As we end the month of April the Legislature seems to be on track to finish up by May 6. Both the House and Senate have passed their version of the Budget. Both bodies have passed the Transportation bill and the Education bill from the Senate was being discussed on the House floor today. The Senate has also passed out **H-516** the Miscellaneous tax bill and sent it back to the House. These are the must pass bills before there can be an adjournment.

The next step is Committee of Conference.

*Committees of Conference, composed of three Representatives and three Senators, are convened toward the end of the session. The goal is for the members to discuss their differences and to agree on a bill that will be presented to both Chambers for a vote.*

## MISCELLANEOUS AGRICULTURE BILL

### **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.

**H-495** is in the Senate Finance committee. The Finance committee took testimony on Thursday afternoon. The Finance committee has jurisdiction over the money parts of the bill, they include

- Language for multi-year licensing for the Agency of Ag
- Clarification of the taxation exemption of dyed diesel
- Sales tax exemption for equipment and repair parts used for commercial forestry
- \$50,000 for Water Quality Assistance Program for Forest and Parks to provide technical and financial assistance to timber harvesters and others for compliance with water quality requirements in the state

The challenge with moving the bill out of Senate Finance has come from the language around “subsurface tile drainage”. Some members of the Senate Finance committee are

not supportive of the December 1, 2021 date for, draft rules, amending the rules for subsurface tile drains. Even though the Finance committee does not have jurisdiction over tile drains, the committee could hold up passing the bill.

As required in Act 64, passed in 2015, the Agency of Ag is suppose to amend the RAP's by January of 2018 to include requirements for reducing nutrient contribution to waters from subsurface tile drains. The Agency of Ag would like more time to research the science and the new technologies before opening the RAPs to write new rules for tile drains. The Senate Finance committee is scheduled to discuss the bill late on Friday afternoon. **H-495** will probably end up in a Committee of Conference to work out differences between the House and Senate versions.

## **RURAL ECONOMIC DEVELOPMENT**

### **S-34 An act relating to cross-promoting development incentives and State policy goals**

This bill proposes to direct the Governor's Development Cabinet to review State incentive programs and propose program changes, conditions for incentives, or other strategies to cross-promote relevant State policies.

**S-34** is now in House Ways and Means. The committee has amended the bill to require reports on the following:

- Requires the Department of Taxes to recommend to the General Assembly legislation to exempt forestry harvesting and processing equipment from the sales and use tax.
- Requires ANR to report to the General Assembly with a recommendation for reducing or eliminating the air contaminant fee paid by farmers for emissions from anaerobic digesters.
- This section requires the Commissioner of Public Service to submit a report by Jan. 15, 2018 on two items regarding the energy efficiency charge (EEC) and commercial and industrial customers:
  - whether and how to increase the use by those customers of self-administered efficiency programs; and
  - the potential establishment of a multi-year pilot program under which each customer within a group of commercial and industrial customers would receive the full amount of the customer's EEC in services and incentives from the energy efficiency utility related to the customer's total energy consumption

In the original version of **S-34** there was an exemption to the forest harvesting equipment rather than a report and the same with the fee on the emissions from the anaerobic digesters. The House Ways and Means committee is suppose to vote this bill out later today. I would imagine this bill would also go to Committee of Conference to work out the differences between the House and Senate versions.

## **FORESTRY FRAGMENTATION**

### **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.

House Natural Resources Fish and Wildlife will again be discussing this bill next week. The committee is on **Draft 5.1** of the bill. There are stakeholders on both sides that still have challenges with the bill. Changes in the bill include

- **Habitat connectivity area** changed to **Connector**
- **GIS or other technology** used for resource mapping
- **“recreational trail” means a corridor that is not paved and this is used for hiking, walking, bicycling, cross-country skiing, snowmobiling, all-terrain vehicle riding, horseback riding and other similar recreational activity**
- **located on or adjacent to a tract that contains a forest block** has been removed from the bill

There also could be an attempt to add this language to **H-424**, which has passed the House and was passed by Senate Appropriations and will be up for a vote by the full Senate on Monday.

## **ACT 250**

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

In light of the upcoming 50th anniversary of the State land use law, known as Act 250, this bill proposes to create a commission to review and make recommendations on improving the effectiveness and efficiency of the Act as currently implemented in achieving its goals.

As stated above this bill will come up before the full Senate on Monday.

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

### **PAID FAMILY LEAVE**

Last week, the House Committee on Ways & Means voted out **H-196 - An act relating to paid family leave**. Their version of the bill created a paid family leave system that allows for a

maximum of six weeks of paid leave at 80% of the employee's weekly wage up to twice the livable wage. Paid leave may be taken for things such as bonding with an infant, the initial placement of a foster child 16 years old or younger, and taking care of a sick relative. Employees must have paid into the system 12 of the past 13 months in order to take benefits. The program will be funded through a 0.141% payroll tax on all employees' wages up to \$150,000 and an employer may elect to pay all or part of the tax on behalf of an employee.

This week, the House Committee on Appropriations met to discuss the bill and how it would impact the State's coffers. On Wednesday they discussed aspects of the bill that relate to the administration of the program. They spent the majority of their time discussing ways to mitigate the cost of the program to the State's budget. The amendment, as drafted and passed by the House Committee on Appropriations, essentially puts safeguards in place to ensure the fund remains full to, "maintain a reserve equal to 100 percent of the projected benefits payments for the next fiscal year." The Committee then voted on **H-196** in its entirety and passed the bill by a narrow 6-5 margin.

### **Independent Contractor Bill Stalls Out**

This week the House Committee on Commerce and Economic Development spent a bit of time working on language defining independent contractors. The Chamber has appreciated their work on this subject but has many concerns with the direction the Committee appeared to be going. Wednesday afternoon, Representative Botzow, Chair of the Committee, announced that they would continue working on the subject **but will not be planning on voting out a bill this year**. The Chamber looks forward to working with legislators and stakeholders during the off-season to better clarify the definition of an independent contractor. We agree with the Chair and believe that it makes sense to revisit this issue next year rather than move forward with language that could cause equal or greater confusion.

Below is the link to the Vermont Legislative website

**[Legislature.vermont.gov](http://Legislature.vermont.gov)**

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

– Henry Ford

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