



Week 14 - April 17, 2020

THE VERMONT **STATEHOUSE INSIDER**

Weekly politics & analysis
of the issues in Montpelier



PEAK WEEK

A NOTE FROM THE LEONINE TEAM

Please visit [our website](#) for our in-depth reporting on COVID-19 throughout the United States. This report is courtesy of [Leonine FOCUS](#), our 50-state legislative regulatory, tracking and reporting service. This report is frequently updated and includes information on executive orders, legislation, regulation, tax deadlines and more from across the country.

WEEK 14

On Friday Governor Phil Scott issued the tenth [addendum](#) to his executive order declaring a state of emergency concerning the COVID-19 pandemic. The addendum authorizes the reopening of some small outdoor and low or no contact professional services starting April 20. Examples of these businesses provided by the administration include civil engineers, forestry, landscaping, painting, public works, appraisers, property managers, pet care operators and construction crews of one or two people.

The governor, who described the move as a “quarter turn of the spicket” to reopen the economy, clarified that there is not a defined list of businesses that can open up. Rather, any business that meets the criteria contained in the addendum is eligible to open up. The governor urged businesses who are unsure whether they can meet the criteria to contact the Agency of Commerce and Community Development for guidance. He also said the Department of Health will closely monitor the health trends stemming from reopening these businesses and warned that if there are negative impacts it is possible they could be closed down again. If health trends continue to improve, the state will move cautiously to further reopen the economy.

The addendum also outlines safety protocols that must be followed by businesses. These protocols include staying home from work if sick or symptomatic, wearing face coverings, essential retailers installing sneeze guards at points of interaction, six-foot social distancing, easy access to cleaning and sanitizing supplies, constant cleaning of work equipment and common areas and a limit of two people per work vehicle.

The governor said his administration is looking at reopening garden and construction supply businesses and farmers markets. All would be required to have strict health and safety protocols.

The gradual reopening of the economy is possible because the number of COVID-19 positive cases has leveled off in the past week, suggesting that Vermont may

have reached its peak. Health officials are cautiously optimistic that Vermont is projected to see fewer cases and deaths from COVID-19 than originally anticipated. They have been clear that this is a result of the strict social-distancing measures put in place by Governor Scott and compliance by businesses and individuals across the state. So far health systems in Vermont have been able to manage the inflow of patients and are prepared for a surge if needed.

While the past week has seen good news on the health front and for slowly reopening the economy, unemployment insurance claims have overwhelmed state systems. Interim Department of Labor (DOL) Commissioner Michael Harrington said around 80,000 unemployment claims have been filed since the COVID-19 outbreak began. Harrington said the surge in filings has far exceeded existing staffing resources and the antiquated mainframe computer used to process claims. As a result many Vermonters have experienced challenges filing for unemployment.

This situation resulted in the first visible rift between lawmakers and the Scott administration in many weeks. Members of the Joint Fiscal Committee questioned whether enough is being done to address the problem. The governor accepted responsibility for the situation and has vowed to do everything possible to correct it. Additional staff have been added to the DOL staff and the administration has been working to expand call center capabilities. The governor announced Friday that he has given DOL until Saturday night, April 18, to process as many claims as possible. On Sunday, April 19 the Treasurer's office will cut \$1,200 checks to Vermonters whose claims have not been addressed.

This measure bucks federal guidelines for unemployment claims, which require verification of each individual's situation before the claim is approved. Scott said the risk of running afoul of federal rules is outweighed by the risk to Vermonters in waiting for the processes to be fixed.

Another point of tension percolating between the administration and legislature is the authority to spend the \$1.25 billion in emergency federal stimulus the state is receiving. The legislative committees have discussed how they can play a role in determining how the money is spent. It is not yet clear how this will play out. The

executive branch has broad authority to spend money during a state of emergency. That said, \$1.25 billion is a much larger amount than has historically been injected all at once into state coffers.

On Tuesday, Governor Scott announced the creation of the [Vermont Economic Mitigation and Recovery Task Force](#) and directed its members to assist the Agency of Commerce and Community Development with all matters relating to economic injury caused by the pandemic. The task force is made up of job creators, community leaders and business representatives from across the state and it is divided into three “action teams.” The Employer Financial and Technical Support team chaired by Mari McClure, President and CEO of Green Mountain Power, will focus on financial and technical support for businesses. The Local Support and Community Action team chaired by Paul Costello, Executive Director of Vermont Council on Rural Development, will work closely with local groups and study community initiatives that could potentially be replicated statewide. They will also focus on the equal distribution of resources throughout the state, especially in rural, underserved populations. The RestartVT Team chaired by Deborah Winters, President of Firetech Sprinkler, will help develop plans for an incremental reopening of the economy. These action teams have already met several times.

On Friday, Chris D’Elia, President of the Vermont Bankers Association, briefed the full House Caucus via a [video conference](#) call about the federal Payroll Protection Program (PPP) and Economic Injury Disaster Loan (EIDL) Program. He told them that although funding for both programs has been exhausted, there would most likely be federal legislation passed in the coming days to add an additional \$250 billion to these programs. D’Elia said applicants who have already completed their applications will be processed on a first come first serve basis, and while some local lenders are no longer accepting applications, others are accepting applications and holding them in queue until congress restores these programs with additional funding.

The House Rules Committee met Friday to fine tune the process that House members will follow when the full House meets remotely for the first time to consider and vote on bills. Connecting 150 members of the House to the internet

and ensuring their votes are counted properly is proving to be more challenging than for the 30-member Senate. The committee agreed to an amendment to a temporary rule that would subject any House member to "public censure" if they let someone else vote on their behalf.

Another announcement made Friday will have a profound impact on Vermont's higher education landscape. The Vermont State College (VSC) administration [announced a proposal](#), which if approved by VSC Trustees, would close three campuses. The proposal would close Northern Vermont University, which has campuses in Lyndon and Johnson, and the Randolph campus of Vermont Technical College (VTC). VTC would be centralized at its Williston location and all VSC liberal arts and residential programs would be consolidated at Castleton University. The proposal is the result of efforts to restructure the system to address significant losses due to the COVID-19 outbreak and underlying financial challenges. News of the proposal leaked out in legislative circles before it was officially announced on Friday and lawmakers reacted with a mixture of surprise and anger over what some say would have catastrophic ramifications for the local economies. The plan would cut up to 500 employees.