



Fall Session - Week 1 - August 28, 2020

THE VERMONT **STATEHOUSE INSIDER**

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of the issues in Montpelier



BACK AGAIN

On Tuesday the Vermont General Assembly reconvened for what is projected to be a three to five week session. The primary focus of the fall session is to finalize the FY2021 budget for the remaining three quarters of the fiscal year, October 1, 2020 through June 30, 2021. The legislature approved funding for the first three months of FY2021 before they recessed in June. The fall session will cap an unprecedented year in the Vermont Legislature, which usually finishes its work in May or June. But as a result of COVID-19, the legislature will have been in session for the vast majority of 2020 when all is said and done.

The beginning of the fall session was preceded by Governor Phil Scott's budget "restatement" proposal which he issued on August 18. The restatement modifies the governor's initial budget proposal from January and builds off the first quarter FY2021 budget that was approved in June. The restatement proposes to balance the budget without major cuts or tax increases and fills the projected \$66 million general fund gap through a variety of reallocations, vacancy savings and continued increased reimbursement for Medicaid expenses from the federal government.

The restatement also includes proposals to spend \$198 million in remaining coronavirus relief funding (CRF). The majority of the relief funding (\$133 million) would be allocated to continue economic relief programs enacted in June. Another provision would provide \$2 million in economic stimulus for undocumented workers who were denied federal stimulus checks. Other provisions include giving each Vermont household a \$150 gift card and increasing funding for state infrastructure projects.

This week lawmakers went quickly to work on the restatement proposal and the House and Senate Appropriations Committees held joint hearings to expedite the process. The House Appropriations Committee hopes to be in a position to vote on the budget next week.

While the tone of the relationship between the governor and lawmakers continues to be collaborative, there are some disagreements that will need to be resolved before adjournment. The most prominent is probably funding to support the Vermont State College system (VSC). The governor included \$30 million in CRF funds for VSC but only if the federal government changes current restrictions to allow it. If and when this will happen is uncertain, and legislative leaders and the House and Senate Appropriations committees have indicated their commitment to fund VSC regardless of whether the federal government acts.

Another strange dynamic in a strange year stems from lawmakers trying to finish up their work at a time they would normally be campaigning. This combined with the fact that COVID-19 has turned traditional campaigning on its head makes for an unprecedented and bizarre situation.

While the FY2021 budget is the focus, there are still some policy bills in play. These include a bill to allow for the retail sale of cannabis, a climate solutions bill and a bill addressing the needs of older Vermonters. Because the 2020 session is the second half of the biennium, all bills that do not pass both chambers before adjournment will die. Senate President Tim Ashe, D/P-Chittenden said this week that lawmakers will not remain in session after passage of the budget, so whatever has not reached the finish line by that point will have to be revisited next year.

Given this dynamic, permission has been granted to the committees to only work on a limited number of bills. Specifically, only those bills that have passed at least one chamber and are relatively close to the finish line in the other chamber.

VADA BILLS IN PLAY

Below are the bills of direct interest to VADA that are in play during this second part of the session:

TRANSPORTATION BUDGET BILL RESTATEMENT

Agency of Transportation Secretary Joe Flynn unveiled the administration's draft "FY21 Transportation Budget Restatement" bill in the House Transportation Committee this week. The bill proposes amendments to certain sections of the Transportation Budget Bill that were enacted into law in June (H.942/Act 121). The bill proposes to address the recent \$29.3 million downgrade in transportation fund revenues by offsetting them with \$24.2 million in amounts reverted from last year and \$5 million in Coronavirus Relief Funds, among other pluses and minuses set forth in the secretary's summary document. The sections that VADA cared most about in Act 121, namely, Secs. 13 & 14 (Vehicle Incentive and Emissions Repair Programs and the New Plug-In Electric Vehicle Incentive Program) and Sec. 22 (manufacturer direct sales of motor vehicles to consumer study) are not revised in the secretary's proposal. However, the proposal does not fund an extra proposed

\$700,000 to electric vehicle incentives or a proposed \$200,000 to Drive Electric Vermont, both of which were in Act 121 but were contingent on the secretary finding funding.

The bill also proposes that DMV switch to on-demand printing of inspection stickers as outlined in [this presentation](#).

[Here is a link](#) to the secretary's summary of the entire proposal.

[Here is a link](#) to a side-by-side of the T-Bill as enacted into law in June (H.942/Act 121) and the proposed Transportation Bill Restatement.

AN ACT RELATING TO ENERGY EFFICIENCY ENTITIES AND PROGRAMS TO REDUCE GREENHOUSE GAS EMISSIONS IN THE THERMAL ENERGY AND TRANSPORTATION SECTORS (S.337)

S.337 authorizes the use of up to \$2 million per year from existing electric efficiency funds for up to 3 years to be spent on programs, measures and services that reduce greenhouse gas emissions in the thermal energy or transportation sectors. The bill passed the Senate and the House Energy and Technology Committee held a hearing on it this week and voted to advance the bill unanimously without any amendments. The bill will likely be referred to the House Ways and Means Committee. [Click here](#) for a link to the bill as it passed the Senate.

GLOBAL WARMING SOLUTIONS ACT OF 2020 (H.688)

The Speaker and Senate President have agreed to move this bill before they adjourn for the biennium. The House Republican Caucus opposes the bill. H.688 turns Vermont's greenhouse gas reduction goals into greenhouse gas reduction mandates. It creates a 22-member Vermont Climate Council, chaired by the

Secretary of Administration, which must adopt a Climate Action Plan by December 1, 2021, and update it every four years thereafter. Many are concerned that the state is opening itself up to lawsuits if the state is unable to meet the mandates. This bill passed the House in late June and the Senate passed it with a proposal of amendment. The Senate Proposal of Amendment is pending on the House Calendar for the House's consideration. Here is a link to the bill as it [passed the House](#) and the [Senate Proposal of Amendment](#).

DEALER FINANCING (S.135)

[S.135, An Act Relating to Consumer Protection and Automobile Financing](#), passed the Senate and is pending in the House Commerce & Economic Development Committee. VADA opposes the Senate-passed bill which requires a motor vehicle dealer to give the consumer a copy of their credit application at the time of sale. Rep. Mike Marcotte, Chair of the House Commerce and Economic Development Committee, said his committee is too busy addressing COVID-19 to take up S.135 but if he were to take the bill up he will let VADA have an opportunity to weigh in.

AN ACT RELATING TO ADOPTING A CLIMATE CHANGE RESPONSE PLAN AND REGIONAL PLANNING COMMISSION INVOLVEMENT IN IDENTIFYING HEALTH CARE-RELATED NEEDS (S.185)

This bill requires the department of health to develop a climate change response plan by July 1, 2021 and present it to House Committees on Human Services & Health and Welfare and the Senate Committee on Health and Welfare. The bill also requires regional planning commissions to assist hospitals with the development of health needs assessments and to consult with the Agency of Human Services, Dept. of Health and Vermont Emergency Management "to incorporate public health and safety concerns related to climate change into State and local emergency and hazard mitigation, response, and recovery plans." The

bill is pending in the House Human Services Committee. [Here is a link to the bill as it passed the Senate.](#)
