

Week 6 - February 14, 2020

THE VERMONT **STATEHOUSE INSIDER**

Weekly politics & analysis
of the issues in Montpelier



TRAFFIC

The tension between Republican Governor Phil Scott and Democrats in the legislature continued this week with Scott's veto of S.23, a bill that would raise the minimum wage to \$12.55 by January 1, 2022. In vetoing the bill the governor criticized it for what he believes will be a negative impact on job growth and employers, particularly in rural areas. The Senate was swift to respond, and on Thursday voted to override the veto by a vote of 24-6.

S.23 now goes to the House where the prospect of an override is more uncertain. Last week the House was unsuccessful in overriding the governor's veto of H.107, the paid family leave bill. The House vote on minimum wage was 93-54, a strong

majority, but seven votes short of the 100 needed to override in the 150-member House. Members of the House leadership team are having conversations with the members of the Democratic Caucus to determine a path to achieve an override. While there are rumors a vote could be held next week in the House, there is no time frame within which a vote must be taken, so House leadership could wait and give themselves time to assemble the votes they need to override.

On a divided 6-3-2 vote the House Natural Resources and Fish and Wildlife Committee approved a sweeping “committee bill” making significant changes to Vermont’s 50 year old landmark land use law, Act 250. Unlike the current system where all applications are first reviewed by one of nine regional District Environmental Commissions the bill provides that major projects will be heard by a revamped Natural Resources Board consisting of three full time members together with two District Commissioners from the relevant regional district. Appeals from the Board will go straight to the Supreme Court. Minor projects will still be handled on an administrative basis by the District Environmental Commissions. In addition, the bill revises the Act 250 criteria to, among other things, address climate adaptation, environmental justice and ecosystem protection by protecting forest blocks and connecting habitat. The bill will now go to the House Judiciary Committee for review.

On Monday the Vermont Department of Agriculture finalized a contract with Vermont technology company Trace to utilize their first-in-the-nation blockchain-based platform for the state’s hemp registry. The state will use Trace’s platform to track and manage the state’s hemp registration, licensing and enforcement systems beginning this year. Vermont has seen rapid growth in the hemp marketplace since the passage of the 2018 Farm Bill legalized hemp in all 50 states. Trace provides a platform for businesses and consumers to verify information about the provenance and current state of hemp products throughout the entire process, from soil to shelf.

BILLS OF INTEREST TO VADA

[H.924](#) - This bill proposes to require a car rental company to include a prominent notice in its rental contract regarding a prohibition of use on dirt roads.

FEEBATES

The Senate Finance Committee took testimony from Daniel Dutcher of the Agency of Transportation regarding AOT's study on "feebates" this week. Feebates are where low mileage vehicles are taxed and the revenue generated from those taxes is used to offer rebates on more efficient, high mileage vehicles. The committee seems interested in this approach. [Here is a link to AOT's feebate study](#)

DMV MISCELLANEOUS BILL

On Friday, the Senate Transportation Committee unanimously approved a 65-page DMV Miscellaneous Bill, which contains various changes that DMV wants to make to the law. Provisions of interest to VADA include the creation of an electronic in-transit registration permit for consumers purchasing vehicles either in-state or out-of-state from someone other than a licensed dealer and amendments to exhibition vehicle inspections, among other things. [Here is a link to the bill as approved by the Senate Transportation Committee.](#)

VEHICLE LUXURY TAX

House Transportation Committee Chair Curt McCormack, D-Burlington, has been floating the idea of a vehicle luxury tax in the form of an additional purchase and use tax or sale tax on a vehicle. There is not a specific proposal on the table but a six percent to 10-15 percent luxury tax on top of the six percent purchase and use tax has been discussed. Wayne Weikel of the Alliance of Automotive Innovation submitted a letter in opposition to this new tax that can be found here. [The](#)

[proposal](#) has received a mixed reaction from the committee. This is one of the many concepts being considered for the climate section of the Transportation Bill the committee is working on.

DEALER FINANCE - S.135

On Tuesday the Senate passed S.135, an act relating to consumer protection and automobile financing. The bill requires a dealer to give a consumer a copy of his or her credit application at the time a motor vehicle sales contract or lease is signed. The bill deems a violation of this new requirement to be an unfair and deceptive act in commerce under 9 VSA § 2453. VADA has concerns about the penalty section. Vermont Legal Aid is already advocating in the House to add provisions that impose a two percent cap on the amount a dealer can mark up a wholesale rate and put a cap on doc fees, among other things. The bill was referred to the House Commerce and Economic Development Committee. The full text of the bill as it passed the Senate can be found [here](#).

AN ACT RELATING TO CLIMATE CHANGE

The House Energy and Technology Committee advanced H.688, the so-called Vermont Global Warming Solutions Act of 2020, late last week. This legislation mandates that certain greenhouse gas emission thresholds be met by the state and is based on a law in Massachusetts. Some have voiced concerns about lawsuits against ANR or the state if these thresholds are not met. This week the House Appropriations Committee took testimony on the bill.

Here is a summary of the bill from the bill's Fiscal Note:

This bill establishes the Vermont Climate Council, composed of 22 people and at least four subcommittees, chaired by the Secretary of Administration. The Council is responsible for identifying, analyzing, and evaluating strategies and programs to ensure that Vermont's greenhouse gas emissions will be at least 26 percent below

the 2005 level by January 2025, at least 40 percent below the 1990 level by January 2030, and at least 80 percent below the 1990 level by January 2050. On or before December 1, 2021 the Council will adopt the Vermont Climate Action Plan and will update it every four years thereafter.

[Here is a link to the fiscal note.](#)

[Here is a link to the bill as advanced by the House Energy and Technology Committee.](#)

FROM THE LEONINE BLOG - States Cracking Down On Employee Misclassification

Over the past decade, the rise of the so-called “gig economy,” which includes services such as Uber and Lyft, has transformed the American economy and everyday life, making it significantly easier to book a hotel, find a cab ride or get any type of food delivered directly to your door. However, the business practices of many of these companies has come under fire over the past several years, specifically relating to their classification, or *misclassification*, of employees.

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