



Week 5 - February 7, 2020

THE VERMONT **STATEHOUSE INSIDER**

Weekly politics & analysis
of the issues in Montpelier



THE UPSETTER

This week was dominated by an attempt to override Governor Scott's veto of H.107, a bill that would have created a mandatory paid family leave insurance program financed by a two percent payroll tax. The bill has been a top priority for House Democrats, and the override vote was expected to be very close.

On Wednesday morning, House Democratic leadership worked to secure the 100 votes needed to successfully override the governor's veto. As the day began it was rumored that they had the votes for an override. At the same time advocates and legislators on the left worked to keep the 51 votes needed to sustain the veto. These groups felt the bill was fundamentally flawed because it

did not guarantee paid leave for one's own illness or injury, and created a privately administered program. Also pushing to sustain the veto were House Republicans and Governor Phil Scott's staff. They opposed the bill because it raised \$29 million in new payroll taxes. This was one of those issues that makes for strange bedfellows.

Because a veto override requires a two-thirds vote of members present, one absence could change the entire outcome of the vote. Because of this delicate calculation, every member was in attendance on strict orders from their caucus leaders. On the Democratic side, multiple lawmakers arrived sick with colds and the flu. On the Republican side, one member was guided into the chamber post-surgery with a bandage over one eye. Another member arrived after having just lost a close family member. At 1pm the bells sounded to call House members to the floor. Floor speeches wrapped up within the hour and the roll call vote began. A notable hush fell over the chamber as lobbyists, legislators and staff alike anxiously kept tally. Vote after vote unfolded predictably until the roll call arrived on the rumored undecided votes. The "no" votes on the override were cast by the undecideds, and it became clear to those paying attention that the vote would fall just short of 100. The override effort failed 99-51 and the governor's veto was sustained.

The saga continued into the next day when it was rumored that leadership would be attempting a reconsideration procedure which requires a member from the prevailing side to request that a vote be reconsidered the day immediately following the failed vote. The building was abuzz with speculation that one lawmaker or another was close to flipping their vote and asking for reconsideration, but the routine announcements about various events and matters on the House floor came and went and a dramatic looking huddle behind the podium by all caucus leadership turned out to be nothing more than a discussion about the weather. With H.107 having failed to pass and an election year upon us, Democratic lawmakers promised to run on paid family leave and work to pass it next year.

Tuesday saw unanimous approval by the House Judiciary Committee to

advance legislation that would provide what are known as “Good Samaritan” protections for sex workers after they report a crime. Under this legislation, law enforcement officers would be prevented from charging sex-workers who report these crimes with prostitution or low-level drug offenses.

On Wednesday the House Ways and Means Committee gave approval to S.54, the bill that proposes to establish a regulated market for cannabis. If S.54 were to become law as it is currently drafted, retail cannabis sales would begin in Vermont in the next two years. The bill must receive approval from the House Appropriations Committee before heading to the House floor for a full vote.

Speaker Mitzi Johnson, D-South Hero, informed the body on Thursday that due to inclement weather, Friday’s committees would have the option to meet or not, and that without a quorum present she would simply gavel in and out, essentially having a token session. The Senate met as normal on Friday. One lobbyist in the building on Friday noted that there were more puppies and babies in the building than people, and that it was the best day of work he’d ever had.

DIRECT TO CONSUMER MOTOR VEHICLE SALES

Marilyn Miller of VADA testified in the Senate Transportation Committee on Friday regarding S.241, an act relating to motor vehicle manufacturers that sell directly to consumers. Marilyn testified about the benefits of the motor vehicle franchise law to consumers, such as ensuring Vermonters have a place to get recall and warranty service work completed. Marilyn also made it clear that if motor vehicle manufacturers are selling vehicles to Vermonters through the Internet or without having licensed dealers in the state (such as Tesla) they should be held to the same standards of regulation as licensed dealers to ensure Vermont consumers are fully protected. Marilyn provided a summary of what other states have done in terms of regulating direct to consumer sales of motor vehicles. Marilyn suggested Vermont look to other states for guidance.

Senator Andrew Perchlik, D-Washington, the sponsor of S.241, provided an updated version of the bill. [Here is a link](#) to the updated draft. It is unclear when the committee will take the bill up again.

DEALER FINANCE BILL

On Friday the full Senate gave preliminary approval by voice vote to 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 give consumers a copy of their credit application to be an unfair and deceptive act in commerce under 9 VSA § 2453. This means that if a dealer makes a mistake and forgets to give the consumer the piece of paper containing their credit application at the time the consumer signs the contract, the dealer could face significant penalties. The statute provides for a private right of action brought by a private attorney and includes damages in the amount the consumer paid for the vehicle and attorney's fees, among other things. The Attorney General's Office also has the ability to enforce the law and has additional remedies. VADA opposes the bill. The full text of the bill can be found on the [Senate Calendar](#) for Friday, Feb. 7.

DMV MISCELLANEOUS BILL

The Senate Transportation Committee continued its discussion of the 55-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 latest draft.

TRANSPORTATION BILL

This week a draft of the annual Transportation Bill, known as the “T-Bill,” was unveiled in the House Transportation Committee. The bill contains the State’s proposed FY21 transportation budget and proposes to make miscellaneous changes to laws related to transportation. The bill is extremely heavy on proposals that promote the sale of electric vehicles, including Section 6 that appropriates \$250,000 for a “New PEV Dealers and Salesforce Incentive Program.” This program proposes to provide for up to \$400 to be apportioned by AOT between the dealer and the salesperson for each PEV sold or leased. [Here is a link](#) to the draft bill.