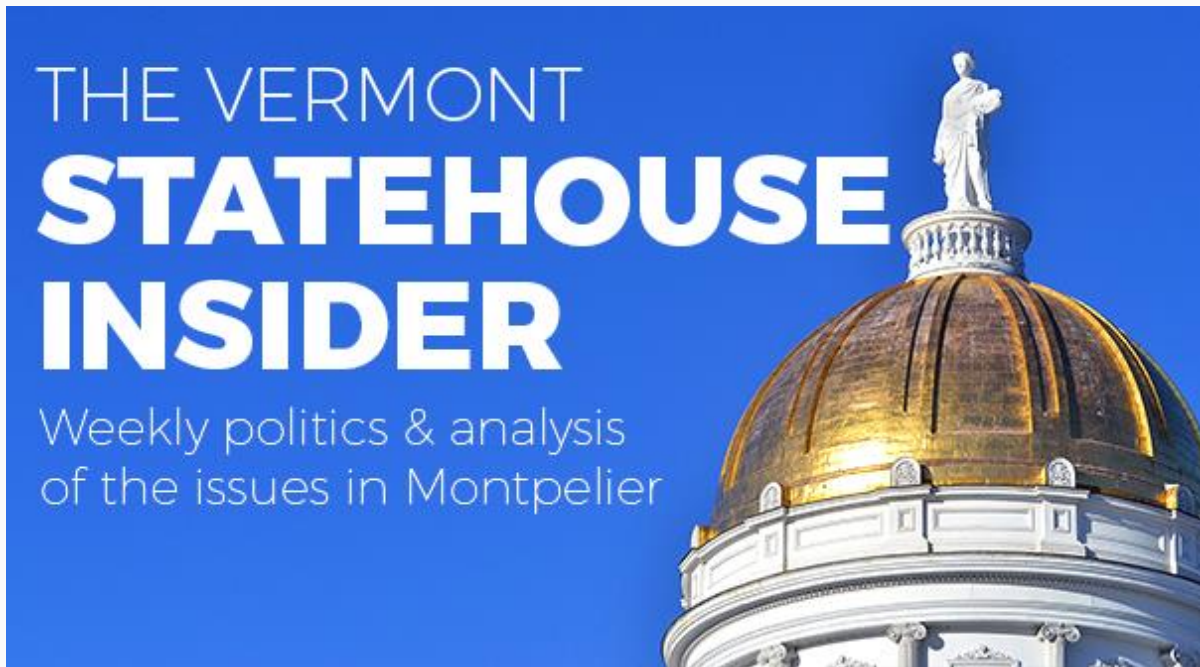


**Week 1 - January 10, 2020**



## **THE USUAL SUSPECTS**

The 2020 legislative session started with a bang. The second year of the biennium usually ramps up faster than the first year - committees are already appointed and many bills are already introduced and on the schedule for consideration - but week one of 2020 was all about the November election. On Tuesday reports came out that Lieutenant Governor David Zuckerman intends to run for governor. That news alone creates a huge dynamic shift in the legislature. That shift was magnified by the prospect of an open seat in the lieutenant governor's office, which prompted an announcement by Senate President Tim Ashe that he intends to run to succeed Zuckerman. The ripple effect (and the speculation about who is running for what) was immediate.

Others quickly voiced interest in running for lieutenant governor, including Senator Corey Parent, R-Franklin, Senator Debbie Ingram, D-Chittenden and Assistant Attorney General Molly Gray. Senator Ingram has served in the Senate since 2016 and Senator Parent is one of the Vermont Republican Party's top rising stars. Assistant Attorney General Gray is a

newcomer to electoral politics. Other names rumored for LG were Representative Sarah Copeland-Hanzas, D-Bradford, Representative Sam Young, D-Greensboro, former Democratic Representative Kesha Ram and former Republican House minority leader Don Turner - but none have announced. Other notable politicians who were rumored to be running for lieutenant governor have indicated they are unlikely to join the race, including former Democratic House Speaker Shap Smith, current Speaker Mitzi Johnson, D-South Hero and House Majority Leader Jill Krowinski, D-Burlington.

In the Senate two candidates to replace Senator Ashe as President pro-tem emerged - Senate Majority Leader Becca Balint, D-Windham and Senator Phil Baruth, D-Chittenden. And finally, with one and maybe two senate seats from Chittenden County being vacated there were a number of House members from Chittenden County considering their prospects.

Of course, all of the above is contingent on Lieutenant Governor Zuckerman running for governor, which he has not officially announced. He plans to make an announcement on Monday, January 13. Governor Phil Scott has not officially announced whether or not he will seek a third term in office but speculation is that he will. Former Education Secretary Rebecca Holcomb is also running for the Democratic nomination for governor and will face Zuckerman in the primary.

While the electoral fireworks dominated headlines, high profile policy debates picked up where they left off last year.

A large group of supporters of a regulated market for recreational cannabis held a press conference to call on the House and the governor to support S.54, a bill that would establish a retail market. Attorney General TJ Donovan, Senator Dick Sears, D-Bennington, Representative Copeland-Hanzas and Matt Simon from the Marijuana Policy Project headlined the press conference. Senator Sears and Representative Copeland-Hanzas said they are confident S.54 will pass the legislature this year and expressed hope the governor will sign the bill.

Democratic leaders resumed work on two of their top priorities from last year, paid family leave (H.107) and minimum wage (S.23). Both bills were referred to conference committees. Leaders in both chambers expressed confidence the bills would pass and be sent to the governor's desk in the near future. The governor is expected to veto both measures. If that happens, it remains to be seen whether the legislature will be able to override.

The Institutions, Health Care and Appropriations committees in both chambers moved quickly

to address two urgent institutional issues - the financial struggles at the Brattleboro Retreat and the abuse and mismanagement reported at the women's prison in South Burlington. The Brattleboro Retreat is in danger of partially closing as a result of budget pressures, which would have a profoundly negative impact on the state's mental health system. The Scott Administration and legislature have stated they are committed to working to keep the Retreat open. It remains to be seen what steps each will propose and ultimately take to make that a reality. Reports in late 2019 that the Chittenden Regional Corrections Facility had been grossly mismanaged and that abuse and corruption were prevalent led state corrections commissioner Mike Touchette to resign. The legislature and Scott Administration have both said reforming the operations at the prison is a top priority.

Another policy theme that will dominate the 2020 legislative session is climate change. Last year the legislature passed initiatives to promote efficiency in the transportation sector. The transportation committees in both chambers have already started hearings on how the initiatives are being implemented and where they should go from here. Environmental groups have been very vocal about the need to combat climate change and climate activists interrupted Governor Scott's state of the state speech with protests.

It will be interesting to see how the new dynamics around the 2020 election affect debate in the legislature going forward.

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## STATE OF THE STATE

Governor Phil Scott delivered the fourth state of the state address of his tenure on Thursday. The speech was interrupted in the first minute or so when climate activists from Extinction Rebellion started protesting in the House Chamber. The protest resulted in a delay of about 20 minutes and a recess was called so the protesters could be escorted out.

When the speech resumed the governor highlighted topics that have been priorities since he first took office. Affordability, battling opiate addiction and warning of a demographic crisis were themes. The governor proposed a universal afterschool program that he highlighted as a continuation of his "cradle-to-career" education initiative. He proposed investment in affordable housing and Act 250 reform as well as increased incentives for electric vehicles and clean energy storage.

The governor did not provide detail on how he proposes to pay for the priorities outlined in the speech, those details will be included in the budget address in a couple weeks.

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## **DIRECT SALES OF MOTOR VEHICLES**

Senator Andrew Perchlik, D-Washington, introduced S.241, An act relating to motor vehicle manufacturers that sell directly to consumers. The bill proposes to amend Vermont's motor vehicle franchise law by adding a definition of a "motor vehicle manufacturer that sells directly to consumers" to mean "any person that manufactures motor vehicles and also engages in the business of directly selling its motor vehicles to consumers. A motor vehicle manufacturer that sells directly to consumers may, as part of or incidental to such business, repair such vehicles or motorboats, sell parts and accessories, or lease or rent such vehicles or motorboats." It then exempts a "motor vehicle manufacturer that sells directly to consumers" from Vermont's motor vehicle franchise law. The bill further authorizes such a manufacturer to "own, operate, or control, either directly or indirectly, a motor vehicle warranty or service facility located in the State."

Senator Perchlik said he introduced the bill because it was unclear to him whether Tesla could sell vehicles in Vermont. Sen. Perchlik has heard of situations where people were told they had to go to New York to buy a Tesla but he also knows Vermonters who purchased Teslas on-line and had the vehicles delivered to their home in Vermont. Senator Perchlik wanted to ensure the law was clear that Tesla, or other companies that sell direct, could sell vehicles in Vermont without establishing a franchised dealership network.

The bill is scheduled for a hearing on Tuesday, January 14 in the Senate Transportation Committee for an introduction and walk through by the sponsor and the committee's attorney. VADA has requested a meeting with Sen. Perchlik.

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## **ELECTRIC VEHICLE INCENTIVE PROGRAM**

Marilyn Miller of VADA, Daniel Dutcher of AOT, Michele Boomhower of AOT and David Roberts of Vermont Energy Investment Corporation testified in the House and Senate Transportation Committees this week to provide an update on the Electric Vehicle Incentive Program that was passed in 2019. The committees seemed pleased with the rollout of the program and with the high level of participation by Vermont dealers in the program.

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## TRANSPORTATION CLIMATE INITIATIVE

This week House and Senate Transportation Committees heard from the Agency of Natural Resources and the Agency of Transportation on Vermont's participation in the Transportation Climate Initiative (TCI), a regional cap and invest program. [Here is a link](#) to the presentation.

A number of business associations [weighed in with serious concerns](#) about TCI and asking that diesel fuel be exempt.

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## BILLS OF INTEREST TO VADA

[S.203](#) - This bill proposes to amend the motorcycle helmet law to only apply to motorcycle operators and riders under 21 years of age and creates an exemption from the motorcycle helmet requirement for those operators and riders who are participating in a parade.

[S.239](#) - This bill proposes to require residents 80 years of age or older to appear in person and pass a vision test in order to renew an operator's license and residents 85 years of age or older to pass a road test.

[S.241](#) - This bill proposes to distinguish between motor vehicle dealers and motor vehicle manufacturers from motor vehicle manufacturers that sell directly to consumers.

[H.574](#) - This bill proposes to exempt a wrecker towing a disabled vehicle from the State's gross weight limits on highways in certain instances.

[H.578](#) - This bill proposes to:

- (1) Eliminate the Judicial Bureau's authority to suspend an operator's license or privilege to operate for the nonpayment of a judgment on a traffic violation resulting in the imposition of points;
- (2) Authorize Judicial Bureau hearing officers to waive the operator's license or privilege to operate reinstatement fee;

- (3) Waive the reinstatement fee for an operator's license or privilege to operate previously suspended for the nonpayment of a judgment on a traffic violation resulting in the imposition of points;
- (4) Require a report on the elimination of operator's license or privilege to operate termination and reinstatement fees; and
- (5) Limit the instances when proof of financial responsibility is required.

[H.605](#) - This bill proposes to require high school driver education instruction on (i) different forms of transit and how these forms of transit may be used in combination to reach a destination; (ii) emerging technologies in the field of transit, such as electric and hybrid vehicles; and (iii) the rights and responsibilities of nonvehicle users of public roads and how to interact safely and respectfully with these other users.

[H.627](#) - This bill proposes to establish a maximum speed limit of 55 miles per hour on Interstates 89 and 91.

[H.629](#) - This bill proposes to amend the law requiring an operator of a motor vehicle to move over when approaching stationary law enforcement and emergency vehicles, require the operator of the approaching vehicle to slow down if it is not possible to change lanes, and extend the law to also apply when an operator of a motor vehicle approaches a work zone.