



Week 20 - May 29, 2020

THE VERMONT STATEHOUSE INSIDER

Weekly politics & analysis
of the issues in Montpelier



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FILING DEADLINE

The last week of May marked the end of the filing period for candidates to register for the August primary election. With the COVID-19 crisis enveloping the legislative agenda and dominating news cycles, there has been relatively little focus thus far

on the November election. The filing deadline on Thursday brought the election to the forefront for the first time in two months with some notable races taking shape and the retirement of some long-serving lawmakers.

Probably the biggest news was Governor Phil Scott's announcement that he will seek a third term. He waited until the last possible moment to make the announcement and said that his focus has been and will remain addressing the COVID-19 crisis. He made national news by saying that he will not campaign or raise money until the emergency order has been lifted. Lieutenant Governor David Zuckerman, former Education Secretary Rebecca Holcombe and Bennington businessman Patrick Winburn face each other in the Democratic primary for governor.

Senate President Pro-Tem Tim Ashe, Assistant Attorney General Molly Gray, Chittenden Senator Debbie Ingram and political activist Brenda Siegel will face off in the Democratic Primary for Lieutenant Governor. Businessman Scott Milne, who ran a close race for Governor against former Governor Peter Shumlin in 2014, announced he is running for Lieutenant Governor in the Republican primary against conservative political operative Meg Hansen.

Secretary of State Jim Condos, Auditor Doug Hoffer, Treasurer Beth Pearce and Attorney General TJ Donovan all filed to run for their current offices.

In the legislature there were some notable retirements. House Appropriations Chair Kitty Toll announced she will not seek reelection as did long-serving Representatives Johanna Donovan, Mary Sullivan, Sam Young, Linda Myers and others. In the Senate the incumbents are seeking reelection or higher office. The Chittenden County Senate race is the most crowded field with 16 candidates vying for six seats. It is worth noting the Chittenden Senate district will be divided through redistricting for the 2022 election.

With Senators Ashe and Ingram running for Lieutenant Governor there are two open seats in Chittenden with Democratic Senators Ginny Lyons, Phil Baruth, Michael Sirotkin and Chris Pearson running as incumbents. Candidates for

Chittenden Senate district include Representative Dylan Giambatista, former Representative Kesha Ram, Burlington City Councilor Adam Roof, lobbyist Erhard Mahnke and Assistant Attorney General David Scherr.

With the exception of Representative Giambatista, the entire House Leadership team is running for reelection including House Speaker Mitzi Johnson.

Governor Scott announced more steps to reopen the economy on Friday. "Close contact businesses" will be allowed to open on June 1. These businesses include nail salons, tattoo parlors and gyms. The further opening of the economy comes as the state continues to see relatively low infection rates for COVID-19. The governor also expanded the allowable size of assembled groups of people from 10 to 25.

MAILING IT IN

After some high profile disagreement Democratic Secretary of State Condos and Republican Governor Scott ultimately agreed on a mail-in ballot plan that would give them an opportunity to opt-out after the August primary. The sticking point is that the governor does not want the decision to opt-out of the plan made by anyone who would be up for election and appearing on the ballot, such as Governor Scott and Secretary Condos. Instead, he proposed to establish a five-member committee that would make the final decision. But this week the Senate Government Operations Committee took a step to bypass the governor on the issue of mail-in voting for the General Election. The committee passed a bill that would give Secretary of State Jim Condos unilateral authority to make changes to election procedures during the span of the pandemic and state of emergency.

STATE BUDGET

This week lawmakers addressed a large COVID-related hole in the FY20 budget that ends on June 30 and then moved on to wrestling with even bigger revenue

losses projected in the next fiscal year that starts July 1. On Friday, by a 141-0 vote, the House concurred with the changes the Senate made to [H.953](#), the Supplemental FY20 Budget Adjustment Bill. The bill adjusts General Fund appropriations by a total of \$61.8 million to cover the \$49 million estimated revenue loss for FY2020 (the \$12.8 million difference is to create a reserve in case the tax receipts that will now be received in July due to the postponement of the April payment deadline are less than expected). It also authorizes interfund borrowing and the use of reserves, if necessary, to cover an estimated \$136 million in FY20 revenue that is expected to be collected in FY21 because of tax deferrals. The bill now goes to Governor Scott who is expected to sign it.

On Thursday the House Appropriations Committee directed the Joint Fiscal Office (JFO) to rewrite the administration's proposed first quarter FY21 budget bill, the so-called "Little Bill" covering the three month period from July to September. JFO will present the draft Little Bill to the committee on Monday, June 1. Chair Toll indicated she wants the committee to finish its work and advance the bill by Wednesday, June 3, which is an extremely tight timeframe. The committee directed JFO to draft the little bill to fund all state departments at 25 percent of last year's budget rather than the governor's proposal of a 23 percent funding level. The governor's proposal represented a two percent cut for the quarter or an eight percent annualized cut. The committee knows full well it will be back in August and September making significant cuts to the budget for the remaining three-quarters of FY21.

STIMULUS PROPOSAL

Last week the Scott Administration released a \$400 million stimulus proposal to aid Vermont's economic recovery. This week lawmakers began the daunting task of taking this proposal and translating it into legislation. While there is general consensus between the administration and the legislature on the goals and scope of this proposal, questions and disagreements on certain elements began to emerge as committees dove into the first draft of the bill.

One of the issues that came up was the value of loans versus grants. The governor's proposal contains a combination of the two. Legislators and stakeholders questioned the value of loans at this time of enormous hardship and uncertainty. Many would instead prefer that more dollars to be allocated to flexible grants that do not require repayment.

The House and Senate Agriculture Committees discussed a \$50 million proposal from the administration which includes \$40 million for dairy farms and \$10 million for dairy processors. Both committees appear to be supportive of appropriating more money to the dairy industry than the governor proposed in his plan. Senate Agriculture Committee Chair Bobby Starr (D-Orleans) suggested that the legislature may want to create a system that allows for a second round of payments for farms should the federal government provide additional support to Vermont.

The administration proposed \$42 million for a rental assistance and stabilization program. They have also proposed \$8 million for emergency housing rehabilitation grants and forgivable loans. Commissioner of Housing and Community Development Josh Hanford advocated for maximum flexibility in order to react swiftly to unforeseen circumstances. While the governor's proposal calls for an RFP process to determine which organizations will administer these programs, the legislature is leaning toward designating a single organization to administer the funds. How much flexibility the legislature will ultimately give to the Department of Housing and Community Development to distribute these funds has yet to be determined. While several legislative committees are working simultaneously to determine how Coronavirus Relief Funds should be distributed, the House and Senate Appropriations Committees will have the final say on how funds are appropriated.

TRANSPORTATION BILL

On Friday the House passed the Transportation Bill (H.942) by a vote of 147-0. The bill contains AOT's transportation budget and other miscellaneous

transportation related provisions. The text of the committee's strike-all amendment starts on Page 1074 of the [House Journal for May 27](#). The bill now goes to the Senate for consideration.

MISCELLANEOUS CHANGES TO LAWS RELATED TO MOTOR VEHICLES

The House Transportation Committee walked through [S.339](#) this week. The bill passed the Senate last week. The bill contains changes to Vermont's motor vehicle statutes and includes a few "must pass" items from the Department of Motor Vehicles. Here is a link to the Senate-passed version of the bill.

GLOBAL WARMING SOLUTIONS ACT OF 2020 (H.688)

The Senate Natural Resources and Energy Committee took up [H.688](#), the Vermont Global Warming Solutions Act of 2020 this week. The bill turns Vermont's greenhouse gas reduction goals into greenhouse gas reduction "requirements." The bill also 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 worried about lawsuits if the state is unable to meet the greenhouse gas reduction mandates. The Agency of Natural Resources offered an amendment to the bill to take some of the edges off this feature of the bill. The bill passed the House by a vote of 105-37 earlier this year. Here is a link to the House-passed bill.