



Week 15 - April 22, 2022

THE VERMONT **STATEHOUSE INSIDER**

Weekly politics & analysis
of the issues in Montpelier



Gordon Wisbach

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BUDGET WARS

Governor Phil Scott drew a not-so-surprising line in the sand this week on both the FY2023 budget and the plan to reform the state's pension program. On Tuesday the governor issued statements criticizing both bills, saying the legislature focused too much on growing government in the budget and that his input was not considered in formulating S.286, the pension bill. He did not use the word "veto", but the implication was clear - he will veto both bills if his concerns are not addressed before they reach his desk.

On Wednesday Senate President pro-tem Becca Balint and Senate Appropriations Committee Chair Jane Kitchel held a press conference, defending the Senate budget and criticizing the governor for "weighing in at the 11th hour" on the pension bill. They said the governor's budget proposal fails to adequately support the severely overextended mental health system at a time when it is needed more than ever. They criticized the governor for asking the legislature to negotiate a pension deal with labor organizations and then raising concerns with the agreement after it was finalized.

For his part Governor Scott said the legislature is not doing enough to support workforce development and tax relief. He also called for state pension reforms that would give new employees a choice in benefit plans and require employees to share more risk with the state. He said that without these structural changes Vermont would face another pension crisis in the next decade.

The clash between the executive and legislative branches over spending has been brewing for weeks. This is the third fiscal year in a row where the state has been working with a massive infusion of federal cash, but FY2021 and FY2022 were defined by the COVID-19 pandemic, when Democratic lawmakers and the Republican governor put their differences aside and avoided big budget fights. The atmosphere around the FY2023 budget debate is shaping up to resemble the standoffs prior to the pandemic, when Scott battled with Democratic supermajorities for ownership of the state budget.

The legislature is on track to finish their work within the 18-week allotted time frame. They could adjourn as early as the first week in May. However, unless the House, Senate and Governor Scott do some serious work to compromise, there is a likelihood of a veto session later in May or June, with a lot of negotiating in between.

TRANSPORTATION BILL

On Friday the Senate voted 29-0 to pass, H.736, An act relating to the Transportation Program and miscellaneous changes to laws related to transportation. The text of the Senate version of the bill can be found on the [Senate Calendar](#) for Friday, 4/22.

DMV MISCELLANEOUS BILL

On Friday the House gave preliminary approval to S.280, An act relating to miscellaneous changes to laws related to vehicles. The bill contains sections on the new motor vehicle arbitration, the total abstinence program, overweight truck permits, nonresident titles, the purchase and use tax and towing abandoned vehicles. The text of the House version of the bill can be found on the [House Calendar](#) for Friday, 4/22.