



Week 1 - January 7, 2022

THE VERMONT **STATEHOUSE INSIDER**

Weekly politics & analysis
of the issues in Montpelier



ZOOMING BACK

The Vermont General Assembly convened for the 2022 legislative session on Tuesday, January 4. Legislators are starting the session working from their homes and offices, as has been the case since the COVID-19 pandemic swept Vermont in March 2020. Lawmakers had hoped to return in-person for the 2022 session, but the surging Omicron variant caused legislators to approve a two-week remote start to the year.

While interim legislative committees held in-person hearings in the statehouse in the fall and early winter of 2021, the full legislature has not convened in-person for almost two years. Lawmakers are growing increasingly frustrated with the constraints of remote legislating, and there appears to be a strong desire on the part of many lawmakers to return in-person. This is counterbalanced by safety concerns, and with the post-New Year Omicron surge escalating it is unclear if the legislature will convene in-person after the first two weeks.

The policy committees spent the bulk of the first week reviewing legislation from 2021 and receiving updates on implementation from the Phil Scott Administration and other stakeholders. The policy committees in the House received a request from the House Committee on Appropriations to provide their spending priorities for the FY2022 budget adjustment act (BAA) by Tuesday, January 11.

The House Committee on Appropriations received a revised BAA proposal on Tuesday from the the Department of Finance and Management, which augments the BAA proposal the Scott administration released a few weeks ago. The revised BAA proposal includes increases for COVID-19 response and cyber-security, among other things. The House Committee on Appropriations has a goal of passing the FY2022 BAA by Thursday, January 13. The goal is to have the BAA on its way to the Senate by the time the House Committee on Appropriations receives the governor's FY2023 budget proposal. Governor Scott is scheduled to give his budget address on Tuesday, January 18.

The FY2022 BAA includes:

- \$25 million for the Agency of Human Services' COVID-19 response
- \$15 million for healthcare worker retention incentives
- \$3.3 million for state cybersecurity
- \$17 million to pay down transportation infrastructure bond debt

- More than \$40 million in reversions as a result of carry-forward from FY2021 to FY2022
- More than \$70 million in additional support for housing initiatives

MOTOR VEHICLE FRANCHISE LAW

Department of Motor Vehicle Commissioner Wanda Minoli submitted her department's report regarding Vermont's motor vehicle franchise law to lawmakers this week. [Click here](#) to read the report. Last year lawmakers required the DMV to accept and report on proposals from interested parties regarding amendments to the motor vehicle franchise law and allowed (but did not require) the commissioner to take a position on a proposal to license new motor vehicle direct shippers. VADA, the Alliance for Automotive Innovation, the American Consumer Institute Center for Citizen Research, and Consumers for Auto Reliability and Safety submitted proposals. The report's cover memo from Commissioner Minoli outlines three "common points addressed in the proposals." One common point being the "high prices dealers charge to manufacturers for parts and labor to address manufacturer recall issues trickles down to the consumer who ultimately must pay the same high prices for general vehicle maintenance and regular vehicle service." VADA objects to this statement and will provide information to rebut it to the committee and the DMV.

Commissioner Minoli testified about the report in the Senate Committee on Transportation on Friday. Commissioner Minoli said she was not making any recommendations regarding amendments to the franchise law but simply bringing forward the comments that were submitted by the four parties cited above. The committee intends to hear testimony from representatives of VADA and the Alliance for Automotive Innovation in the near future.

BILLS OF INTEREST TO VADA

[H.459](#), **An act relating to prorated Tier III renewable energy credits** (Bill text not available yet)

[H.471](#), **An act relating to entering a vehicle without legal authority or consent.** (Short Form) This bill proposes to expand the crime of unlawful trespass to include entering a vehicle without legal authority or the consent of the person in lawful possession of the vehicle.

[H.483](#), **An act relating to potential new models of funding and governance structures to improve the quality, duration, and access to career technical education in Vermont** (Bill text not available yet)

[H.495](#), **An act relating to prohibiting the sale of mercury-containing lamps.** This bill proposes to prohibit the sale of mercury-containing lamps in the State beginning on July 1, 2023.

[H.500](#), **An act relating to prohibiting the sale of mercury lamps in the State.** This bill proposes to prohibit the sale or distribution in the State of compact fluorescent lamps or linear fluorescent lamps beginning on January 1, 2023.

[H.522](#), **An act relating to automobile insurance and aftermarket parts.** This bill proposes to regulate the use of aftermarket parts in automobile repairs covered by insurance.

[H.523](#), **An act relating to reducing hydrofluorocarbon emissions.** This bill proposes to adopt new policies regulating the use and disposal of hydrofluorocarbons (HFCs) in order to reduce the emission of HFCs more rapidly.

[H.526](#), **An act relating to adding electric vehicle supply equipment to**

Vermont's energy efficiency standards for appliances and equipment. This bill proposes to amend Vermont's energy efficiency standards for appliances and equipment to include electric vehicle supply equipment, which is not currently covered by federal energy efficiency standards.

[H.527](#), **An act relating to tax relief for Vermonters.** This bill proposes to expand existing income tax credits for Vermonters, including the earned income tax credit and the child care and dependent care credit, and create new income tax credits and deductions for Vermonters, including a student loan interest deduction, a workforce credit for industry shortages, and a first-time Vermont homebuyer credit. This bill would also provide for a pass-through entity credit in response to the federal state and local tax deduction cap. This bill would amend penalty provisions and filing due dates for estimated tax payments and create a new reporting requirement for partnerships under federal audit. This bill would clarify that the property transfer tax applies to enhanced life estates in the same way as conventional life estates. This bill would also expand the sales and use tax exemption for manufacturing equipment.

[S.155](#), **An act relating to the creation of the Agency of Public Safety.** This bill proposes to reorganize public safety services within the Executive Branch and create the Agency of Public Safety. It proposes to put the Division of Motor Vehicle Enforcement in the newly created Agency of Public Safety.

[S.190](#), **An act relating to tree replanting in the State highway right-of-way and Agency of Transportation landscaping and streetscaping.** This bill proposes to require the Agency of Transportation to work with affected municipalities on replanting trees when certain trees are removed from the State highway right-of-way and require additional landscaping and streetscaping in certain areas along State highways.

[S.213](#), **An act relating to payment options at electric vehicle supply**

equipment. This bill proposes to specify how credit card payments are processed at electric vehicle supply equipment available to the public.

CLIMATE CHANGE

The Senate Committee on Natural Resources and Energy and the House Committee on Energy and Technology both began to dig into the recently released [Climate Action Plan](#) and [Draft Comprehensive Energy Plan](#). The timing of those documents, compounded by the large influx of federal dollars has led to what feels like significant momentum for transformative investments in climate change response. Three priority initiatives identified by leaders of each committee for potential action in 2022 are:

- **Weatherization At Scale** - expands efforts to weatherize homes and businesses.
- **Clean Heat Standard** - a performance standard that would be applied to all major suppliers of heating fuels in Vermont with the purpose of driving the market toward greater adoption of low-carbon fuels.
- **100 Percent Renewable Energy Standard** - increases the current requirement that Vermont's electric distribution utilities get 75 percent of their power from renewable resources by 2032.

PRIVACY

On Tuesday, the Vermont Attorney General's Office (AGO) submitted its anticipated recommendations to the legislature on various data privacy provisions. The AGO is proposing a set of privacy recommendations that includes comprehensive privacy protection, biometric privacy protection and an expansion of the data broker law. It's unclear whether the committees of

jurisdiction, which also deal with critical workforce issues, will have the bandwidth to take these measures up this session.

HEALTH CARE

The Senate Committee on Health and Welfare and the House Committee on Health Care held a joint meeting on Wednesday to hear testimony about extending the temporary measures enacted in the spring of 2020 in response to the COVID-19 emergency. Those measures, which address a variety of issues such as insurance coverage for COVID-19 testing and treatment and flexibility in licensing health care providers, are currently slated to expire at the end of March. The proposal is to extend them through March 2023.