



Week 1 - January 11, 2019



SECRETS OF THE MASTERS

The Vermont legislature convened for the 2019 legislative session on Wednesday. The largest freshman class in more than half a century was sworn in. There are now effectively Democratic supermajorities in both the Senate and House. Democrats in the House now have the ability to override a gubernatorial veto with the help of either Progressive or Independent votes.

The question percolating in the statehouse is how this new dynamic will play out. Last year a budget disagreement between Republican Governor Phil Scott and Democratic legislative leaders extended the session by over a month to the end of June. While the governor ultimately allowed the budget to pass without his signature, he did veto 11 policy bills in 2018, tying the record for most ever. Those vetoes were sustained because Republicans held enough seats in the House to prevent a two-thirds override vote.

Now, the Democratic supermajorities in the House and Senate have the ability to pursue their agenda without the governor's support. It will be interesting to see how this affects the dynamic between the legislature and the governor. Will there be a more conciliatory approach by both sides? Or will lawmakers and the governor dig their heels in and if so will Democrats be able to whip up the votes to override?

For the most part the first week was ceremonial and organizational. Lawmakers received their committee assignments, statewide officials were sworn in and logistical issues like parking were addressed. There were two policy areas - both of which are likely to receive a lot of attention this year - that were considered in committee the first week. The Senate Judiciary Committee began the discussion around creating a retail market for cannabis and the Senate Education Committee began discussions on the continued implementation of the 2015 session's controversial Act 46, which requires school districts to merge.

INAUGURAL ADDRESS

On Thursday, Governor Scott was sworn in for his second term and delivered his inaugural address. The dominant theme was his desire to work proactively with lawmakers across the aisle to reverse the trend of Vermont's declining workingage population. The ethos of his speech could best be summarized in one sentence early in the address: "We don't need more taxes—we need more taxpayers." To this administration, the principal causes of the demographics crisis are a lack of affordability and a culture that has become hostile to business. He made a point of agreeing wholeheartedly with Democratic priorities such as water quality and addiction treatment, but used these examples mainly to prove that

Vermont has insufficient revenue to properly fund any of these priorities. His central thesis seemed to be that if Democrats want to fund their initiatives, they need to welcome growth and incentivize a reversal in the declining population trend.

Although the speech was light on detailed policy proposals, he did say that he would once again put forward a program to convince people to move to Vermont, building on last year's \$10,000 remote worker incentive he designed to attract more working people to the state. He also spoke about the need for unspecified improvements to help with the expansion of broadband internet access across the state. Additionally, he promised that in the coming days he would offer proposals for a voluntary paid family leave program, which is notable because he vetoed the Democrat's version of this bill last year. He indicated he would be proposing reforms to the state's landmark land use law, Act 250, which is also notable because a commission set up by the legislature to study and offer improvements to Act 250 has just released their report making recommendations that many see as increasing what are considered Act 250's already restrictive provisions. Throughout the address, he maintained the importance of political unity during these times of unprecedented divisiveness in the national political discourse.

HOUSE COMMITTEES

Five House committee chairs retired last year allowing for significant shake up in House Committee leadership. Rep. Michael Marcotte, R-Coventry, was appointed Chair of the House Commerce and Economic Development Committee. The previous lone Republican Chair of the House Transportation Committee for the past nine years, Rep. Pat Brennan, R-Colchester, was moved to the House Ways and Means Committee. Chairing the House Transportation Committee in his place is Rep. Curt McCormack, D-Burlington.

Other new committee chairs appointments in the House are: Rep. Sarah Copeland-Hanzas (D-Bradford) as Chair of Government Operations; Rep. Kate

Webb (D-Shelburne) as Chair of Education; Rep. Tim Briglin (D-Thetford) as Chair of Energy and Technology; Rep. Tom Stevens (D-Waterbury) as Chair of General, Housing, and Military Affairs; and Rep. Amy Sheldon (D-Middlebury) as Chair of Natural Resources, Fish & Wildlife. Republicans in the House now hold seven Vice Chair assignments, up from last session's five. Interestingly, two Independent House members, Laura Silibia and Barbara Murphy, were appointed vice-chair of Energy and Technology and Transportation respectively. A nod by the Speaker to the importance that the Independents will play in the upcoming session.

Click on the committees below to view all members.

- Agriculture & Forestry
- Appropriations
- Commerce & Economic Development
- Corrections & Institutions
- Education
- Energy & Technology
- General, Housing & Military Affairs
- Government Operations
- Health Care
- Human Services
- Judiciary
- Natural Resources, Fish & Wildlife
- Transportation
- Ways & Means

SENATE COMMITTEES

Committee assignments in the Senate were also made this week, but unlike the House the chairmanships of the Senate committees largely reflected the chairmanships during the 2017-2018 biennium. The only exceptions were the Senate Health & Welfare Committee where Senator Ginny Lyons, D-Chittenden, replaced Democratic Senator Claire Ayer, who retired, and the Senate Institutions

Committee, where Senator Joe Benning, R-Caledonia, replaced retired Republican Senator Peg Flory.

Click on the committees below to view all members.

- Agriculture
- Appropriations
- Economic Development, Housing & General Affairs
- Education
- Finance
- Government Operations
- Health & Welfare
- Institutions
- Judiciary
- Natural Resources & Energy
- Transportation

CANNABIS

On Friday, the Senate Judiciary Committee discussed a draft of a retail cannabis regulation bill. The draft bill creates a retail cannabis market beginning in 2021 for adults over the age of 21. It also creates an independent commission called the Cannabis Control Board which would be charged with designing and implementing a program for licensing cannabis establishments. The bill allows for six types of licenses: cultivator, product manufacturer, wholesaler, retailer, café, and testing laboratory. Additionally, the proposal moves the medical marijuana registry away from the Department of Public Safety and places it under the control of the Cannabis Control Board. It also creates a 10 percent excise tax on the retail sale of cannabis, a one percent local option tax on retail sales of cannabis, while exempting all cannabis and cannabis products from the six percent sales and use tax.