

Week 3 - January 21, 2021



HYBRID

The Vermont Legislature convened in person this week for the first time since the COVID-19 pandemic hit.

Sort of...

The House of Representatives returned to the statehouse for a hybrid inperson/remote format after almost two years of Zoom legislating. In some ways it was like little had changed, with lawmakers and staff roaming around the building, meeting in committee rooms and talking in the cafeteria. But for the most part the pandemic's impact on safety and social protocols was evident. The Senate remained remote, having decided to continue to conduct business over Zoom for the foreseeable future. People politely tried to social distance without seeming standoffish, everyone was masked and most public stakeholders - journalists and lobbyists - refrained from the pre-pandemic practice of spending the entire day in the statehouse. [The observations informing this newsletter occurred in short visits to the building for prearranged conversations.]

The result was the statehouse did not seem particularly crowded. There was a heightened security presence and all traffic in and out of the building was funneled through an entrance with a large body temperature monitor, which sort of gave the impression of a Star Wars droid confirming whether a person was "clear" to enter the building. All in all, the situation seemed well-managed and as safe as can be expected given the circumstances.

The hybrid format provided for in-person House committee hearings, although witnesses remained remote and the viewing public continued to watch via livestream on YouTube. Many committee members also participated remotely.

The House floor remained fully remote in order to allow members who could not be present to vote. This was to ensure members who may need to stay home for safety reasons could continue to participate. The floor process seemed to work pretty well, although it was strange to see lawmakers sitting in the statehouse on their computers conducting floor business remotely only yards away from the House floor.

The same format will apply next week. The House will have to vote again on how they want to conduct legislative business beyond February 1.

BUDGET

While it was only the third week of the 2022 legislative session, the budget process is already well underway. On Tuesday, Governor Phil Scott gave his annual budget address and submitted his \$7.7 billion FY2023 budget proposal to the legislature.

His FY2023 budget focuses on workforce development, tax relief, the ongoing COVID-19 response and the five core issue areas he had proposed funding through the American Rescue Plan Act (ARPA) last year. These issue areas are broadband, climate change, water/sewer/stormwater infrastructure, housing and economic development. The governor characterized the current situation as an unprecedented opportunity to use large state surpluses and almost half a billion dollars in remaining ARPA money to make investments that would be impossible at any other time in recent history.

The governor proposed millions of dollars in one-time funding for internships, training, higher education, broadband deployment and recruitment to bolster Vermont's workforce. He proposed a \$50 million tax relief package that includes exempting military retirement income from state tax, increasing the earned income tax credit, a student loan interest deduction and increasing child and dependent care credits. He also proposed \$45 million property tax rebates.

The governor proposed well over \$100 million in housing investment between the FY2023 budget and the FY2022 budget adjustment act and expanded the mobile mental health crisis response pilot project that was approved for Rutland county last year. His budget includes funding for suicide prevention, substance abuse prevention and recovery efforts.

The governor proposed paying off debt to free up state funds that can be used as matching funds for federal dollars made available through the recently approved Infrastructure Investment and Jobs Act (IIJA). The IIJA can fund broadband deployment, improvements to state transportation infrastructure and upgrades to state and municipal water systems, among other things. The governor proposed investing \$51 million to expanding cell service, \$30 million in grand list enhancement grants, \$50 million for capital investment grants and \$20 million for a PPP-style short term loan program that aims to help boost economic recovery.

The House Committee on Appropriations took initial testimony from administration officials this week on the governor's proposed FY2023 budget, but much of the committee's focus was on passing H.679, the FY2022 Budget Adjustment Act. H.679 makes significant new investments in workforce stabilization, housing and other initiatives as reported in last week's newsletter. H.679 passed the House on Friday and consideration on the bill will begin in the Senate next week.

MOTOR VEHICLE FRANCHISE LAW AMENDMENTS

This week VADA members Mitchell Jay and Bob Cody and David Bright of the Alliance for Automotive Innovation testified in the Senate Transportation Committee regarding proposed amendments to Vermont's motor vehicle franchise law. Mr. Bright outlined the Alliance's franchise law amendments submitted as part of the <u>Department of Motor Vehicles' report</u>. One of the Alliance's amendments proposes to allow a manufacturer with franchised dealers to sell electric vehicles directly to Vermont consumers. This would gut the rights of franchise dealers and allow their own manufacturers to compete against dealers in EV sales and service. Mr. Bright also submitted <u>these comments</u> opposing VADA's amendments.

Mitchell Jay and Bob Cody explained the benefits of the franchise law for consumers and dealers and reviewed <u>VADA's amendments</u>. Mitchell and Bob also strongly opposed the Alliance's proposed amendments. They urged the committee to pass VADA's amendments this year.

Senate Transportation Committee lawyer, Anthea Dexter-Cooper, was asked to write VADA's amendments in bill form to review as a possible amendment to another bill the committee is working on. Ms. Dexter-Cooper is scheduled to review the draft amendment in the committee on Wednesday, 1/26.

DMV MISCELLANEOUS BILL

On Wednesday the Senate Transportation Committee reviewed a draft bill titled <u>An act relating to miscellaneous changes to laws related to vehicles</u>. This draft bill contains provisions related to new motor vehicle arbitration, the total abstinence program, overweight or overlength truck permits, nonresident titles and technical changes to the purchase and use tax. The committee will continue its work on the bill next week.

GOVERNOR'S FY23 TRANSPORTATION BUDGET

On Tuesday, Governor Scott presented his FY2023 budget that includes the FY23 Transportation Budget. The Senate and House Transportation Committees then received an <u>overview of Governor's FY2023 Transportation</u> <u>Budget</u> from Secretary of Transportation Joe Flynn.

VERMONT CLEAN VEHICLE INCENTIVE PROGRAM UPDATES

This week the Senate Transportation Committee received a <u>Vermont Clean</u> <u>Vehicle Incentive Program Update</u> from Patrick Murphy, Sustainability and Innovations Project Manager at the Agency of Transportation. David Roberts of Drive Electric Vermont also submitted this <u>Report on State of Vermont</u> <u>Incentives for New Plug-in Electric Vehicles</u> to the committee.

REMEMBERING WILLEM JEWETT

Former House Majority Leader Willem Jewett died last week using Vermont's Patient Choice and Control at End of Life Act, which he helped pass in 2013. Willem served seven terms in the legislature, from 2003-2016. He worked extraordinarily hard for his community and for Vermont. He also had a wry sense of humor and a great laugh that helped carry him through the day. He will be missed.

BILLS OF INTEREST TO VADA

<u>H.674</u>, **An act relating to requiring the removal of snow and ice from vehicles operated on public highways** - This bill proposes to require the removal of accumulated snow and ice from a motor vehicle, and any trailer or semi-trailer drawn by the motor vehicle, prior to operation on a public highway to the extent needed to avoid a threat to persons or property caused by the dislodging of accumulated ice or snow or by obstruction of the operator's view.

<u>H.675</u>, **An act relating to excessive motor vehicle noise** - This bill proposes to, with limited exceptions, prohibit the operation of a motor vehicle equipped with an inadequate or modified muffler or exhaust system or with an amplification device.

<u>S.262</u>, An act relating to creating a right to repair personal electronic devices - This bill proposes to promote choice and competition by requiring manufacturers of personal electronic devices to make available to consumers and independent repair providers, on fair and reasonable terms, the documentation, parts, and tools used to diagnose, maintain, and repair those devices.

S.276, An act relating to requirements for drivers who are elders to renew

operator's licenses - This bill proposes to require Vermonters 75 years of age or older to appear in person and pass both a vision test and road test in order to renew an operator's license.