

**Week 7 - February 22, 2019**

# THE VERMONT **STATEHOUSE INSIDER**

Weekly politics & analysis  
of the issues in Montpelier



## **NOT NECESSARILY THE NEWS**

This week action in the legislature was dominated by extended House floor debate on H.57, which puts in statute a woman's right to have an abortion. There were also elections by a Joint Assembly of the House and Senate to pick a new Adjutant General for the Vermont National Guard, the legislative members of UVM's Board of Trustees and the statehouse Sergeant at Arms. As a result, the House Committees did not meet nearly as much this week as they otherwise would have.

Numerous amendments to H.57 were offered when the bill came to the floor for both second and third readings. After extensive debate and many roll call votes all of the amendments were defeated. Every amendment related to issues such as parental notification and when abortions can legally occur during a pregnancy. In the end the bill passed 106-37. The bill will now go to the Senate.

On Thursday a Joint Assembly of the House and Senate elected Col. Greg Knight, a 35-year Army veteran to be the next commander of the Vermont National Guard. He takes over this post at a difficult time for the Guard, as it faces accusations of sexism and misconduct.

Also elected on Thursday were three new trustees of the University of Vermont. Representative Sam Young (D-Greensboro), Representative Kevin “Coach” Christie (D-Hartford) and Representative Carol Ode (D-Burlington) will serve 6-year terms on UVM’s board. Janet Miller, the current Sergeant At Arms of the Vermont statehouse was unanimously re-elected to her second two-year term.

A number of bills moved in advance of the March 15 “crossover” deadline. This is the deadline for policy bills to pass out of committee. These include S.23, which increases the minimum wage to \$15 an hour by 2024. This bill gained preliminary approval in the Senate on Thursday by a 19-8 vote and will be up for final consideration in that chamber on February 26.

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#### **BILLS OF INTEREST TO VADA**

[H.277](#) - This bill proposes to implement an additional five-cent per gallon tax on gas and diesel and use all additional revenue to fund the building out of electric vehicle infrastructure and providing purchase assistance to Vermonters with low income for the purchase of new and used electric, plug-in hybrid electric, and hybrid vehicles.

[H.316](#) - This bill proposes to authorize the creation of an automotive workforce training pilot program.

[H.320](#) - This bill proposes to waive the registration fee for certain motor vehicles upon proof that the registered owner or co-owner is a veteran who received a discharge under honorable conditions or is a first responder.

[H.341](#) - This bill proposes to waive the registration fee for certain motor vehicles upon proof that the registered owner or co-owner is a veteran who received a discharge under honorable conditions or is a first responder.

[H.352](#) - This bill proposes to:

- (1) require the State Treasurer to divest State funds from companies that devote more than 25 percent of their business to carbon-based fuel endeavors;
- (2) impose a carbon tax; and
- (3) create the Carbon-Free Investment Fund to finance targeted approaches to reduce the use of carbon-based fuels in the transportation and housing sectors through a newly created Vermont Carbon-Free Investment Program.

[H.379](#) - This bill proposes to deposit all money the State recovers from litigation involving motor vehicle manufacturers into the Clean Energy Development Fund as permitted.

[H.384](#) - This bill proposes to have an additional fee on gasoline and diesel for five years to provide

additional aid to municipalities for road infrastructure, including compliance with the Municipal Roads General Permit.

[H.400](#) - This bill proposes to create a point- of-sale electric vehicle incentive and to fund that incentive through the use of revenue derived from the increase in electric vehicle charging.

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#### **T-BILL**

The House Transportation Committee reviewed a draft of the annual Transportation Bill, which adopts the transportation program to be implemented by the Agency of Transportation in FY2020 and makes various changes to Vermont's transportation laws. Two provisions of interest in the bill are Sec. 20, which establishes an incentive program for the purchase or lease of new and used electric vehicles, and Sec. 24, which relates to jurisdiction over electric vehicle charging stations. [Here is a link](#) to the draft.

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#### **AUTOMATED VEHICLES**

The Senate Transportation Committee continued its work this week on language to require a permit to authorize testing of automated vehicles on public roads in Vermont. The committee heard testimony from Joe Segale from the Agency of Transportation who discussed updated draft bill language. The committee is considering adding this [language](#) to the Miscellaneous DMV bill it is also working on.

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#### **VEHICLE EMISSIONS TESTING**

This week the Senate passed [S.84](#), a bill related to vehicle emissions testing. The bill exempts motor vehicles that are more than 10 model years old from annual emissions inspections. An amendment on the Senate floor to exempt vehicles that are more than 15 years old from annual emissions inspections failed. Under the bill all vehicles will continue to undergo annual safety inspections. The bill also requires DMV to amend its rules to bring them into compliance with this change and to update the tablets that inspections stations use under the automated vehicle inspection program (AVIP). If it takes more than 30 days to update the AVIP, the DMV commissioner is authorized to develop a temporary work-around, such as a paper waiver process. The bill now goes to the House.

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## UNCONSCIONABLE CONTRACTS

On Wednesday the Senate Judiciary Committee approved on a 4-1 vote an amended version of S.18, which creates legal presumptions of unconscionability relative to specific types of provisions in form contracts between a business and a consumer. Notably, on a 4-1 vote the committee decided to exempt the recreation industry from the bill's provisions. It also modified the provision deeming the presence of a presumptively unconscionable contract provision to be a violation of Vermont's consumer protection statute. Specifically, the new language: (1) requires that there be an actual dispute between the business and consumer beyond the mere presence of one of the contract provisions, and (2) gives a court discretion as to whether the presence of such a contract provision is in fact a violation of the consumer protection statute. The bill should be up for consideration by the full Senate next week.

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## ASSOCIATION HEALTH PLANS

The Senate Finance Committee took testimony on [S.103](#), which would impose a "look through" requirement on Association Health Plan (AHPs). Due to a change in federal law in 2018 the number of employees of small businesses that purchase health insurance through AHPs can be aggregated and therefore be treated as a single large group. This has the effect of removing those "insured lives" from the small group and individual markets (which are treated by law as one risk pool). That effect may, in turn, result in lower premiums for the health insurance provided through AHPs, but higher premiums for those left in the small group and individual markets. S.103 would disaggregate the lives insured through AHPs by requiring the insurance sold through AHPs to be based on the number of employees for each respective employer. As a practical matter if S.103 is enacted it would probably cause the demise of AHPs. Representatives of the two AHPs that currently exist, the Vermont Association of Chamber Executives and Business Resource Services, testified in opposition to S.103, as did a representative of Blue Cross/Blue Shield of Vermont, which is the only health insurer currently providing coverage through AHPs. MVP's lobbyist pointed out the bill's different pros and cons, while Vermont Legal Aid's Health Care Advocate spoke in support of the bill. The committee will take further testimony next week.

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## PAID FAMILY LEAVE

The House Ways and Means Committee spent the week considering the financial implications of [H.107](#), a mandatory paid family and medical leave bill that the House General, Housing and Military Affairs Committee advanced last week.

The proposed revenue source for the new program is a payroll tax equal to 0.93 percent of each employee's covered wages, half to be deducted from an employee's wages and half to be paid for by his or her employer. The Joint Fiscal Office shared preliminary [projections](#) for the cost of

the program over the next five years. JFO's presentation showed the possibility the program will run in the red if Vermont dips into a recession.

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## **CANNABIS**

On Thursday afternoon the Senate Finance Committee advanced H.54, a bill establishing a regulated market for cannabis in Vermont. The Senate Finance Committee recommended a state excise tax of 16 percent, and that municipalities be allowed to impose an additional two percent local option tax. The committee also decided to give the Commissioner of Taxes the ability to require that returns be submitted electronically and to prohibit the the payment of taxes with cash. The Tax Department had indicated concern about the possible volume of cash coming into its offices and the need to upgrade its security systems. The bill will now go to the Senate Appropriations Committee and then to the Senate floor for a vote by the full Senate.