

# Legislative Report

## Great Falls Regional Chamber Of

January 6, 2012 – Week



**GFRCC**

### **Chamber of Commerce**

5 West Minster St.

Bellows Falls, VT 05101

(802) 463-4280



**The Legislature hit the ground running this week as they convened the second half of the biennium.** Committees

immediately got down to business hearing reports and discussing their priorities for the year. Long lists of new bills were introduced in both the Senate (135 new bills) and House (21 new bills). The House passed bill H.461 which provides property tax relief to individuals hit by Irene. The highlight of the week, however, was the Governor's State of the State Address.

**Governor Shumlin's State of the State Address focused primarily upon congratulating Vermonters and communities for overcoming the adversity of the spring flooding and Hurricane Irene.** He described the state of our State as "strong, Vermont strong." Shumlin took pride in the lessons learned from the breaking down of state agency silos and everyone working for a common purpose in the aftermath of Irene to rebuild Vermont "faster, smarter and more economically." Although lacking details, the Governor reiterated his support for the agenda he outlined in his inaugural speech last year – broadband expansion, leading the nation in health care reform, being an innovative leader in education, achieving affordable renewable energy sources, supporting locally grown foods and agriculture, and conducting a war on recidivism and prescription drug abuse. He indicated more details about the latter as well as investments in education would be presented in his budget address at a later date. The Governor also spent time describing Vermont's economy and the employers who are growing their way out of the recession. He cited our low unemployment rate and also referred to a recent ranking of the State as number two in the nation on how well we use tax breaks and subsidies to create jobs. He emphasized the importance of tax policy on our job future, saying "taxes are too high" even with our progressive income tax structure. The Governor stated he remains determined not to increase broad based taxes. Finally, he called for setting aside differences and finding common ground on issues

[2012 Session Off to a Fast Start](#)

[Governor Calls Vermont Strong](#)

[Chamber/GBIC Members Support Illuzzi/Miller Health Care Reform Amendments](#)

[Unemployment and Worker's Compensation Under Scrutiny](#)  
[Renewable Energy Incentives to Be Reviewed Again?](#)

[Education Finance Study Available for Public Comment](#)

[Fate of Permitting Process Improvements Uncertain](#)

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# Legislative Report

Lake Champlain Regional Chamber of Commerce & GBIC

## **It appears that changes to employment laws regarding worker's compensation and unemployment insurance may be taken up this session.**

The House Commerce Committee spent long hours with Department of Labor Commissioner Annie Noonan reviewing the reports the Legislature had requested on employment issues. This includes potential legislation that would amend unemployment insurance and worker's compensation statutes which accommodate clarifying the definition of an independent contractor. The Department of Labor has been requiring employers to cover contractors with both worker's compensation and unemployment insurance. The result is that many employers are no longer using independent contractors. The Chamber and GBIC believe that there is a place for independent contractors in our economy and that they serve as a resource for a variety of employers who many not be able to have a permanent staff person on hand for various services such as web design, photography or the trades. Several Chittenden County legislators have expressed interest in helping us with this issue and Rep. Heidi Scheuermann (R-Stowe) and Chip Conquest (D-Newbury) have been working with Commissioner Noonan to develop a solution over the summer. Sen. Illuzzi (R-Essex/Orleans) has also introduced a number of bills dealing with employment laws.

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## **The state's energy plan, renewable portfolio standards, and redefining net metering capacity were front and center topics in both the Senate and House Natural Resources Committees this week.**

The Governor also expressed his support for building on the standard offer program, reaching the goal of 75 % of our electricity from renewables in 20 years, and providing incentives for affordable community generated renewable power. Both Chairs of the House and Senate Natural Resources Committees (Sen. Ginny Lyons (D-Chittenden Co.) and Rep. Tony Klein (D-East Montpelier)) have introduced bills (H.468 and S.170) that will create mandatory standards for utilities to buy established amounts of renewable energy. Their bills also revise the standard offer provisions in the state's Sustainably Priced Energy Enterprise Development (SPEED) Program. While we are supportive of encouraging the development of renewable energy, our organizations are mindful and concerned about the upward pressures on energy rates that this type of legislation may result in and we will be monitoring these bills.

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**The consultant hired to prepare an evaluation of the State's Education Finance system presented their findings this week.** Picus and Associates delivered a voluminous study and presented his findings to several committees [Click here](#) for full report.

Major findings include:

- The system does what it was intended to do in terms of meeting the goals of an equitable system with no relationship found between a community's wealth and spending levels.
- Differences in student performance have narrowed and improved since 2005.
- The level of resources is high for the number of students – Vermont has the third highest spending per pupil and the second lowest class size in the country.

Public comment is being sought via interactive television next Monday night and details can be found by [clicking here](#).

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**Natural Resources Board Chair Ron Shems presented the results of an extensive stakeholder and public outreach process on improving the state's environmental permitting process.** This report can be found by [clicking here](#). Shems reported that the comments they received from a wide variety of interests were remarkably similar. No one is interested in lowering environmental standards, and all agreed that improvements in the process are needed. The Agency of Natural Resources has already implemented some internal improvements to make the application process more efficient. The report recommends measures that we support including adding more hearing officers to expedite the appeals process; encouraging pre-filed testimony; using alternative dispute resolution, consolidating permits; conducting on the record appeals and eliminating the "de novo" or new trial standard of review. Early in the week, Sen. Ginny Lyons indicated she was not overly optimistic about a rewrite of the process occurring this session due to other priorities for her committee.

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#### **Quick Hits:**

- Rep. Rachel Weston (D-Burlington) resigned on Wednesday to take a position overseas in Jordan. Rep. Kesha Ram (D-Burlington) will take her place on the House Ways and Means Committee while newly appointed Rep. Jean O'Sullivan (D-Burlington) who replaced Rep. Mark Larson, assumes a seat on the General Housing and Military Affairs Committee.
- Two new members were added to the House Health Care Committee – Rep. Patti Konline (R-Dorset) and Mark Woodward (D-Johnson).
- Health Care committees met the Green Mountain Health Care Board and listened to several reports. A report prepared by JFO and BISCHA estimates \$553 million to \$1.8 billion in cost savings from a reformed health care system compared to the cost of Vermont's current system.
- The State's revenue gap has gone from an estimated \$70 million to \$46 million.