



VPA LEGISLATIVE UPDATE #8

March 24, 2009

Legislature on Fast Track

Legislators hit the ground running last week following March meeting break, setting their priorities for passage by session end: FY2010 budgets, an economic stimulus/jobs creation bill, a green energy bill, same sex marriage (which passed the Senate yesterday), campaign finance reform and election laws, and the fund to decommission Vermont Yankee. The leadership's intent is to cut the session short by two weeks. As a result, the legislative schedule for the next eight weeks is split between committee and floor time in an effort to quickly move and pass key legislation. Last Friday marked crossover deadline for most bills, but money and committee bills are still being introduced, and other legislation can be tacked on to must pass bills, making tracking ever more difficult.

The leadership's budget proposal, outlined before the break, calls for \$24 million in new taxes (including an income tax surcharge), \$28 million in spending cuts – through the elimination of some state jobs and programs (including, potentially, ACCD as earlier reported) – and the use of \$156 million in federal stimulus funds to balance the budget. The legislature is also expected to pass their proposal for a \$120 million revenue bond, funded through a five-cent per gallon gas and diesel tax, to pay for transportation infrastructure projects. The gas tax is expected to raise \$18 to \$20 million in additional revenues annually.

House committees are expected to finish up their work on the FY2010 budget and capital bills within the next week – both are in markup. House Ways and Means is reviewing revenue proposals, along with the miscellaneous tax bill. House Transportation is also on schedule to vote out the transportation bill very soon.

Announced legislative priorities and budget proposals are directly at odds with those of the Governor – so expect plenty of political pot shots over the next few weeks, as both sides position themselves for 2010 election campaigns, now underway...

Updates

ACCD. Unconfirmed reports suggest that the legislative proposal to eliminate ACCD will be the subject of a summer study committee. Secretary Dorn is scheduled to present the Administration's recommendations for agency restructuring to Senate Government Ops on Thursday – following a related discussion regarding their intent to eliminate jobs at *Vermont Life*. As reported in the Times Argus on Monday, even though the magazine is self-supporting, Dorn said that it needs to share in staffing cuts – his agency has shrunk from 105 workers to 89 in the last two years, and may have to shrink by five more. VPA is continuing to work with VAPDA and related organizations to track these proposals and address shared concerns.

VT ARRA Web Sites

Information on state economic recovery initiatives under the federal act is now available on-line through the Vermont Economic Recovery Office at:
www.recovery.vermont.gov

Representative Jane Ancel (D-Calais) and Senator Jane Kitchee (D-Caledonia Co.) will be overseeing recovery coordination for the Legislature. The Joint Fiscal Office is also maintaining an ARRA web site:
<http://www.leg.state.vt.us/jfo/ARRA%202009.htm>

Economic Stimulus Bills. As of this writing the omnibus Senate bill, “Blueprint for Revitalization of Vermont's Economy,” has not yet left committee – markups are scheduled through Wednesday. As reported previously, the draft bill incorporates numerous proposals from a variety of sources, under 81 separate sections, that are still being vetted in committee. These include but aren’t limited to urban homesteading, opportunity and green growth zones and some permit reform initiatives proposed by the Administration, as well as changes to tax increment financing (TIF) statutes and expanded infrastructure exemptions under Act 250, as supported by local government.

Environmental and preservation groups continue to raise concerns in committee regarding the permitting sections of the bill. VLCT has also sounded alarms regarding a proposal to require only Section 248 review for “interconnected” wireless telecommunications – in effect exempting all telecommunications facilities, including supporting structures and ancillary improvements, from Act 250 and local regulation.

The House Commerce Committee’s bill – “An Act Relating to Near-term and Long-term Economic Development” (**H.313**) – was voted out of committee on Friday and referred to House Ways & Means. A primary goal of this legislation is to coordinate state efforts to make the most of federal recovery funds. It takes a much different approach than the senate version – focusing on economic development goals, benchmarks and programs – but does include the same exemption for wireless facilities found in the Senate bill.

Both bills direct the Commission on the Future of Economic Development (CFED), previously established to develop a long-term economic development plan for the state, to identify benchmarks for obtaining economic development goals defined to date. There has also been a proposal, which may end up in the Senate version, to repeal CFED and have ACCD (or its successor) draft the plan and do benchmarking. Each bill must go through other committees.

Smart Growth Committee Bill. The smart growth committee bill (**S.99**) which would amend Act 250 criteria relating to traffic, scattered development and rural growth areas was voted out of Senate Natural Resources on Friday as introduced –not including the scary amendments circulated last week – and is scheduled for a final floor vote (third reading) in the Senate on Wednesday.

Riparian Buffer Bill. The riparian buffer bill (**H.323**) as introduced last week by Rep. David Deen incorporates many, though not all, of the changes suggested by VPA. The bill would establish 50-foot buffer zones adjacent to all navigable waters of the state by July 1, 2014. Municipalities that adopt riparian regulations meeting minimum state requirements (under a new §4428) would be exempt from the 50-foot state buffer requirement. The bill also includes a proposed redraft of §4424 pertaining to the local regulation of hazard areas (including flood hazard areas) and provides incentives for municipalities to adopt fluvial erosion hazard maps and bylaws. VPA will continue to track this bill in committee, but no action is expected this year.

Permit Reform. Administration permit reform proposals were introduced last week under **H.419**, which provides for on the record appeals of district commission decisions, modifies various Act 250 criteria to allow for consideration of a development’s economic, social and cultural benefits, establishes a presumption in Act 250 the projects approved by a DRB comply with the municipal plan, and enables VANR to issue general permits under many of its permitting programs. It also addresses the effective date of local permits delayed by litigation, allows municipal panels to make decisions by a majority of a quorum (rather than members), requires appearance at a local hearing to appeal a local permit, and allows for delivery of notices of appeal by other means than certified mail.

This Week at the State House

(<http://www.leg.state.vt.us/schedule/schedule2.cfm> – schedules are subject to change without notice)

The calendar this week reflects current priorities to move priority legislation forward – most key bills are in markup, and will get floor time within the next week. House Natural Resources and Energy, having finished their work on the VT Yankee decommissioning bill, is now working on renewable energy legislation. Their counterparts in the Senate are taking up components of economic stimulus bills that may come their way. House General, Housing and Military Affairs will be taking testimony on the CDBG program, and homelessness in Vermont, on Wednesday. A joint session regarding judicial retentions is scheduled for Wednesday morning.

Bills of Interest:

(<http://www.leg.state.vt.us/database/database2.cfm>)

Bills "released for introduction": House – 433, Senate–124. Of note:

****Highlighted include proposed amendments to Chapter 117***

H.273 Municipal acquisition of street lights

H.279 Emergency management

H.313 Economic development (inc. wireless facilities exemption)

H.317 Development and implementation of microgrids

H.323 Riparian buffer zones (inc. 117 amendments)

H.324 Wetlands protection

H.338 VANR delegated authority in enforce Clean Water Act

H.340 Energy efficiency standards for residential construction

H.349 Stormwater permits, transfers to municipalities

H.350 Local option taxes

H.365 Limit municipal prohibition of renewable energy devices

H.367 Planned Unit Development (PUD) distributed energy systems

H.399 Vehicle miles traveled fee

H.402 Renewable energy generation on state lands

H.410 Wetlands management

H.411 Shooting ranges

H.412 Permitting, decommissioning and safety of dams

H.414 Limited permit exemptions for wind and wood-based generation

H.419 Environmental and land use permits (Administration proposals)

S. 119 Rewable energy, energy efficiency, decommissioning, rural development

Bills Passed by House:

H.26 Unmarked burial sites

H.28 Temporary wastewater permits

H.135 Municipal cooperative wireless communications facilities

H.232 FY09 budget adjustments

Bills Passed by Senate:

S.25 State agency reporting requirements

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