**Montpelier Notes**,  An occasional email for Pownal and Woodford residents. If you would prefer not to receive these notes please reply to botzow@sover.net and I'll remove you from the list. If you would like to be added please let me know. I do not give your email address to others. --Bill Botzow

March 27, 2011

Hello All,

                Last week, after much debate and proposed amendments, the House passed several of the major bills for the session. These included a bill on fish and wildlife management, the annual miscellaneous tax bill, a health care bill and the budget. At the same time committees continued to finish up bills we will debate next week. These include a consumer protection bill, the transportation bill and the capital bill. We will soon be taking up bills that have passed the Senate and members will be testifying in the Senate on bills that have passed the House. It was an extraordinarily full week including nights when we adjourned very very late. Here are notes on our work.

**H. 91** **An act relating to the management of fish and wildlife**

                This bill firmly establishes that the fish and wildlife of our state are in the public trust for the benefit of all and are within the jurisdiction of the fish and wildlife department. Last year at the end of the session and without proper review, a private hunting preserve in Northern Vermont and all the wild animals within it was transferred to the Department of Agriculture. This bill corrected that policy and established a procedure to deal with the captive herd. Here are the findings in the bill:

FINDINGS

The general assembly finds and declares:

(1) The protection, propagation, control, management, and conservation of the wildlife of Vermont are in the best interest of the public.

(2) Exposure of wildlife to domestic animals, as that term is defined in 6 V.S.A. § 1151, increases the risk that a disease or parasite, such as chronic wasting disease, is introduced into or spread to the wildlife of Vermont.

(3) To prevent the introduction or spread of a disease or parasite to the wildlife of Vermont, white-tailed deer and moose should not be entrapped in captive cervidae facilities.

(4) If a white-tailed deer or moose is entrapped in a facility that contains domestic animals, existing rules require the facility owner to consult with the department of fish and wildlife in order to determine the best method for removal of the entrapped white-tailed deer or moose.

(5) To preserve the health of the wildlife of Vermont, all owners of captive cervidae facilities should be required to remove entrapped white-tailed deer or moose, and such facilities should be required to take the necessary measures to prevent future entrapment of white-tailed deer or moose.

                The bill goes on to declare “As provided by Chapter II, § 67 of the Vermont Constitution, the fish and wildlife of Vermont are held in trust by the state for the benefit of the citizens of Vermont and shall not be reduced to private ownership. The state of Vermont, in its sovereign capacity as a trustee for the citizens of the state, shall have ownership, jurisdiction, and control of all of the fish and wildlife of Vermont.

                The commissioner of fish and wildlife shall manage and regulate the fish and wildlife of Vermont in accordance with the requirements of this part and the rules of the fish and wildlife board.”

The bill passed on a roll call vote Yeas, 102. Nays, 39 and I voted yes.

**H. 436** **An act relating to tax changes, including income taxes, property taxes, economic development credits, health care-related tax provisions, and miscellaneous tax provisions;**

                The annual tax bill adjusts revenue policy for the state and is usually passed before the appropriations bill. The two major money committees, Ways and Means and Appropriations, set necessary targets for income and expense for the year and then each committee works to meet the targets. This year is the third in a row of working with declining overall revenues due to the recession. The committees, faced with a projected 175 million shortfall and working with the likely future constraints of federal spending for both the remainder of this year’s federal budget and next year’s, took a difficult but prudent path of cuts in overall state spending and targeted revenue changes that do not raise broad based taxes (income, sales, property). They did not recommend going deeply into the stabilization reserves (which are used throughout the year to even out month to month changes in revenue) and they did not recommend ideas such as an income tax surcharge at this time because that may be needed to deal with the possibility and likelihood of deep cuts to federal spending for states on programs such as low income heating assistance, job training, Medicaid, community development and other assistance. Wherever possible the tax committee chose to target revenue changes to places where dollars collected could draw down federal support and be used for needed community services such as mental health, medical treatment for low income Vermonters or assistance to the elderly.

                The entire House debated these choices Tuesday and Wednesday in the tax bill and then again Thursday and Friday in reviewing the budget. Ways and Means overall took a moderate approach. For example, many called for raising the tobacco tax substantially. The committee chose instead a modest increase that would keep the tax less than that in New York State and equivalent to Massachusetts. In another vote, the legislature changed a proposal to reward school districts that met targets set last year over all the other school districts. Last year all school boards worked hard to control education spending. Our school boards have been controlling spending for a number of years and the targets given last year were unrealistic. Other school districts could meet their targets because they had been increasing spending for many years and as a result had more room to cut down. In the end the legislature voted to treat all school districts the same.

                Overall I supported the Ways and Means Committee approach because of the need to have a balanced budget. In a vote on the entire bill it passed 90 to 47.

**H. 411** **An act relating to the application of Act 250 to agricultural fairs**

                Buildings on agricultural fair grounds used for agriculture displays have, like other agriculture buildings, been exempt from Act 250. In recent years some buildings on fairgrounds have been used for non-agriculture purposes such as entertainment events and large meetings. This bill makes clear which structures should be subject to Act 250 while maintaining exemptions for structures used for “exhibiting a variety of livestock and agricultural products, exhibiting arts, equipment, and implements related to farming, or conducting contests, displays, and demonstrations designed to advance farming and to train or educate farmers, youth, or the public regarding agriculture.”

**J.R.H. 14** **Joint resolution urging Congress and the United States Departments of Labor and of Homeland Security to authorize H-2A visas for 12-month agricultural workers;**

                The House passed this resolution and sent it to the Senate and if it passes there, to federal officials in Washington. The H-2A visa program puts many safeguards in place to not displace US farm workers and encourages hiring US workers. Despite these measures, many Vermont farms, especially large dairy farms, need year round workers to stay in business. This resolution urges Congress to continue the program because of the economic need. It passed unanimously on a voice vote.

**H. 202** **An act relating to a universal and unified health system**

                The longest debate of the week concerned the health care bill. This bill takes guarded steps towards a comprehensive health care system for Vermont by establishing a process for health care reform over the coming four to six years. First steps established in the bill give authority to a health care board for approving and controlling expenses, creates a health care exchange for insurance as required by recent federal law and authorizes Green Mountain Care, a universal and unified health care system for Vermont. The bill lays out a process for answering payment and cost questions as development goes forward. It also outlines how to deal with issues such as out of state users and authorizes work on malpractice reform, information technology, personal responsibility measures, etc. It contains many checks and balances along the way including future review and votes in the legislature.

                The debate on the bill was civil while deeply probing the issues. The House worked until 12:45 in the morning on Wednesday night and returned the next day for many more hours of questioning and debate. Here are some sections from the bill to give you a sense of the Health Committee’s proposal.

PRINCIPLES FOR HEALTH CARE REFORM

The general assembly adopts the following principles as a framework for reforming health care in Vermont:

(1) The state of Vermont must ensure universal access to and coverage for high-quality, medically necessary health services for all Vermonters. Systemic barriers must not prevent people from accessing necessary health care. All Vermonters must receive affordable and appropriate health care at the appropriate time in the appropriate setting.

(2) Overall health care costs must be contained and growth in health care spending in Vermont must balance the health care needs of the population with the ability to pay for such care.

(3) The health care system must be transparent in design, efficient in operation, and accountable to the people it serves. The state must ensure public participation in the design, implementation, evaluation, and accountability mechanisms of the health care system.

(4) Primary care must be preserved and enhanced so that Vermonters have care available to them, preferably within their own communities. Other aspects of Vermont’s health care infrastructure, including the educational and research missions of the state’s academic medical center, must be supported in such a way that all Vermonters have access to necessary health services and that these health services are sustainable.

(5) Every Vermonter should be able to choose his or her health care providers.

(6) Vermonters should be aware of the costs of the health services they receive. Costs should be transparent and easy to understand.

(7) Individuals have a personal responsibility to maintain their own health and to use health resources wisely.

(8) The health care system must recognize the primacy of the patient–provider relationship, respecting the professional judgment of providers and the informed decisions of patients.

(9) Vermont’s health delivery system must seek continuous improvement of health care quality and safety and of the health of the population, and the system therefore must be evaluated regularly for improvements in access, quality, and cost containment.

(10) Vermont’s health care system must include mechanisms for containing all system costs and eliminating unnecessary expenditures, including by reducing administrative costs and by reducing costs that do not contribute to efficient, high-quality health services or improve health outcomes. Efforts to reduce overall health care costs should identify sources of excess cost growth.

(11) The financing of health care in Vermont must be sufficient, fair, predictable, transparent, sustainable, and shared equitably.

(12) The system must consider the effects of payment reform on individuals and on health care professionals and suppliers. It must enable health care professionals to provide, on a solvent basis, effective and efficient health services that are in the public interest.

(13) Vermont’s health care system must operate as a partnership between consumers, employers, health care professionals, hospitals, and the state and federal government.

(14) State government must ensure that the health care system satisfies the principles expressed in this section.

And on the Health Benefit Exchanges:

PURPOSE

(a) It is the intent of the general assembly to establish a Vermont health benefit exchange which meets the policy established in 18 V.S.A. § 9401 and, to the extent allowable under federal law or a waiver of federal law, becomes the mechanism to create Green Mountain Care.

(b) The purpose of the Vermont health benefit exchange is to facilitate the purchase of affordable, qualified health benefit plans in the individual and group markets in this state in order to reduce the number of uninsured and underinsured; to reduce disruption when individuals lose employer-based insurance; to reduce administrative costs in the insurance market; to promote health, prevention, and healthy lifestyles by individuals; and to improve quality of health care.

(c) Nothing in this chapter shall be construed to reduce, diminish, or otherwise infringe upon the benefits provided to eligible individuals under Medicare.

                Another section of the bill addresses economic impacts of the bill “In developing the financing plan for Green Mountain Care, the secretary of administration or designee shall consult with interested stakeholders, including health care professionals, employers, and members of the public, to determine the potential impact of various financing sources on Vermont businesses and on the state’s economy and economic climate. No later than February 1, 2012, the secretary or designee shall report his or her findings and recommendations to the house committees on health care and on commerce and to the senate committees on health and welfare and on economic development, housing and general affairs.

                I supported the Health Care Committee’s proposal. A number of members proposed amendments to the bill that suggested alternative pathways. Most were turned down, some were incorporated. In the vote to move the bill to third reading I voted yes and it passed 89 to 47. After further amendments the next day the bill passed 92 to 49 and I voted yes. Health care reform going forward will be difficult. I know that in Vermont we will continue to address the questions deliberately as this will be a multi-year process. The current system is unsustainable as we know from annual rapidly rising health care costs and it suppresses good ideas from those who are working every day in health care. Many hard decisions lie ahead as we have to address tort reform, utilization and how best to provide the necessary medical infrastructure and to make sure that all Vermonters receive basic care that is affordable individually and to all of us in Vermont. The debate on the bill was significant, thoughtful, civil and deeply respectful of varied points of view.

**J.R.H. 15** **Joint resolution urging the Federal Communications Commission to protect the financial viability of telephone service in rural communities;**

This Commerce Committee resolution will be sent to our Congressional delegation and the Federal Communications Commission (FCC). We want to make sure that currently under way Federal review of the Universal Service Fund takes into account the need of rural areas for telecommunications services and broadband. Federal actions could well favor urban over rural areas in uses of the fund which would be detrimental to our rural economy. The resolution says “That it is vital to express the importance of robust broadband deployment to rural Vermont and to encourage those amendments to the National Broadband Plan that ensure the extension and continuing sustainability of high-quality broadband service throughout Vermont”.

**H. 441** **An act relating to making appropriations for the support of government**

                The final major bill of the week was the appropriations bill. The House worked into the evening on Friday to thoroughly discuss and address amendments to the bill after hearing a full report from the Appropriations Committee the previous afternoon/evening. Here is a note on the bill from Appropriations Committee member, Rep. Ann Manwaring from Wilmington.

                “This has been an intense two-month effort to hear from every agency, no matter how large or small, who wanted funding. The members of the committee, each of whom is responsible for assigned parts of the budget, reviewed reams of documents (approximately three feet of shelf space for each of us) designed to help us understand what the requested money is for, how the agency is meeting its outcomes and goals in the present year and for next year, how they plan to meet those outcomes with less money and still carry out their mission. This year, after several years of budget reductions, the loss of Federal stimulus money, and continued caution regarding the pace of Vermont's own economic recovery, agencies had to state that in many cases, the level of service they provide to Vermonters would be reduced.

                Along the way, our committee kept two lists.  One was a “wish” list, reductions in the Governor's proposed budget that we found too difficult to accept, and the other, the “found” list, dollars that we identified as we “scrubbed” the budget, cajoled an agency into accepting reductions, and items that materialized as events changed from the creation of the budget last fall to the time of our consideration.  In the end, the wish list was not surprisingly about twice as long as the found list, so it came down to a process of matching where possible, and then in the end a Solomon task…..”

                The Appropriations Committee had many difficult choices to make and in many cases were able to restore some or most of the funding that the Governor had recommended cutting in areas such as mental health services, aid to the elderly, Catamount Health plan, services to the developmentally disabled, and funding for homeless prevention.

                The bill also maintains reserves in anticipation of potential federal reductions. It passed 95 to 34 and I voted yes.

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                This past weekend, though the days lengthen rapidly, has been clear, sunny and chilly. It certainly takes great patience this time of year to wait for spring’s warmer weather. Hang in there! And please let me know whenever I can help you with your business with the state. My very best to you and your family.

Stay in touch,

Bill

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