

April 5, 2015

Hello All,

Here it is Easter—the first Sunday after the first full moon after the Vernal Equinox. And it is mud season. Birds are back and moving through. Winter and spring moments flip back and forth each day. Leaving Montpelier Friday evening my car thermometer said 68 degrees. On my way to the state house it said 34. By the time I arrived home, back to the thirties. Then on Saturday first came rain, then snow, and at last the sun shone. This sunny then cloudy Sunday morning we're back to freezing temperatures and afternoon snow showers.

Here are this week's bills. Remember, if you would like to read a bill, go to the Vermont legislative home page <http://legislature.vermont.gov/> and search by bill number.

H. 11 An act relating to the membership of the Commission on Alzheimer's Disease and Related Disorders

This bill adds three members to the Commission to make sure the Department of Health, the University of Vermont's Center on Aging, and the Support and Services at Home (SASH) program are included. The bill also asks the Council for an annual report with any recommendations. The bill passed on a unanimous voice vote.

H. 117 An act relating to creating a Division for Telecommunications and Connectivity within the Department of Public Service

Last year the legislature started the process of moving the Vermont Telecomm Authority into the administration. This bill would finish that work. My Commerce Committee worked on and unanimously recommended the bill. It establishes a Division for Telecommunications and Connectivity within the

Department of Public Service, creates a Telecommunications and Connectivity Advisory Board, and clarifies the management and uses of the Vermont Universal Service Fund, the Connectivity Fund, the High-Cost Program, and the Connectivity Initiative. The bill says:

(a) Among other powers and duties specified in this title, the Department of Public Service, through the Division for Telecommunications and Connectivity, shall promote:

(1) access to affordable broadband service to all residences and businesses in all regions of the State, to be achieved in a manner that is consistent with the State Telecommunications Plan;

(2) universal availability of mobile telecommunication services, including voice and high-speed data along roadways, and near universal availability statewide;

(3) investment in telecommunications infrastructure in the State that creates or completes the network for service providers to create last-mile connection to the home or business and supports the best available and economically feasible service capabilities;

(4) the continuous upgrading of telecommunications and broadband infrastructure in all areas of the State to reflect the rapid evolution in the capabilities of available broadband and mobile telecommunications technologies, the capabilities of broadband and mobile telecommunications

services needed by persons, businesses, and institutions in the State; and

(5) the most efficient use of both public and private resources through State policies by encouraging the development, funding, and implementation of open access telecommunications infrastructure.

The bill passed the House unanimously.

S. 13 An act relating to the Vermont Sex Offender Registry

This bill recommended by the Judiciary Committee proposes changes “intended to improve the efficiency and consistency of the Vermont Sex Offender Registry.” The bill improves the process for registering offenders who were convicted in jurisdictions outside Vermont. It also clarifies the process for applying registry requirements when there are disagreements and the process for petitioning the court if a person is placed on the registry in error. The bill also responds to an audit by State Auditor Doug Hoffer that noted inaccuracies in some of the registry data. One of the most concerning was the

correctness of the physical address of a registered offender. The bill requires the state to ensure data is correct before it can be posted and includes metrics for ensuring accuracy. The bill passed unanimously on a voice vote.

H. 361 An act relating to making amendments to education funding, education spending, and education governance

The House debated and passed this education bill which concerns education funding, spending, and governance. The bill was unanimously supported by the House Education Committee. Their goal is to

“improve education quality, promote stability and sustainability, and provide greater equity in student opportunity”. Here are the bill’s intent and goals section.

(a) Intent. By enacting this legislation, the General Assembly intends to move the State toward integrated education systems responsible for the equitable delivery of high quality education to all resident prekindergarten–grade 12 students through a revised governance structure that:

(1) leads students to achieve or exceed the State’s Education Quality Standards, adopted as rules by the State Board of Education at the direction of the General Assembly;

(2) leads to improved transparency and accountability; and

(3) is delivered at a cost that parents, voters, and taxpayers value.

Rep. Buxton from the education committee outlined major elements of the bill this way:

“Creating Larger Education Districts. Districts would merge with similar districts in their region and share responsibility for pre-k to grade 12 for all students. The State Board of Education may approve alternate configurations– so long as the proposal advances specific goals like equitable educational opportunities; stable leadership; the flexible and efficient use of resources; increased student-to-adult ratios; budgetary stability and less volatility for taxpayers; and community engagement. Each integrated education system would have a minimum average daily membership of 1,100, unless granted a waiver.

Support for Reorganizing Districts. Districts will have access to grants up to \$150,000 to support the process of reorganizing and transitioning to larger units. Temporary local property tax forgiveness would also be available – at $-\$.08$ in year one, $-\$.06$ in year two, $-\$.04$ in year three, and $-\$.02$ in year

four. Districts that opt to sell a building that is subject to repayment of school construction aid may be exempt from that obligation if the sale of the building occurs as part of this bill.

Restructure Grants to Small Schools. It permits a merging district to keep its Small School Grant as a Merger Support Grant. Beginning in FY2020, Small School Grants are limited to districts with an average grade size of 20 or fewer students that participated in a merger study committee and that the State Board of Education determines to be eligible annually due to the school's high student-to-staff ratios, lengthy driving times or inhospitable routes to the nearest school(s) with excess capacity, and success in meeting educational quality standards.

Temporarily Cap Local Spending Increases. Initially, a spending cap was approved that would limit local spending increases to 2% until 2019. In response to important feedback from members and school boards, the committee approved a more flexible local spending cap (ranging from 1.4% - 4.1%) that allows districts to calculate their allowed spending increase based on either (1) their total education spending amount or (2) their per equalized pupil spending amount. Each district's allowable increase is no longer capped by a single statewide amount. Rather, the allowable increase will fluctuate with how close their previous year's per equalized pupil spending was to the statewide average. For example, a district that spends exactly the statewide average (roughly \$14,100) would be allowed a 2% increase. A district that spent more would have a lower cap; a district that spent less would have a higher cap.

Moratorium on Spending: Imposes a moratorium through 2016 on any new legislation that would increase property taxes.

Lessens the fiscal protection from rapidly declining enrollment by applying the 3.5% provision to the prior year's actual student count rather than to its artificially inflated student count.

Limit Out-of-State Tuition Payments: Except for payments to out-of-state schools that fall into one of a number of exceptions (including location in a community bordering Vermont), public tuition will not be paid to schools that aren't located in Vermont. All current students are grandfathered.

Universal, Integrated Accounting and Data System. Require the Agency of Education to fully implement an integrated system to maintain financial reporting and accounting data and longitudinal student data that are designed to measure and to compare student outcomes, financial costs, and the quality and variety of educational opportunities.

Require Explicit Ballot Language. School budget warnings and ballots will include specific disclosure of per equalized pupil spending, percent change, and overall budget amount.

Work to Eliminate the “Lag” in Income-based Calculations and Payment (a.k.a. the “Look Back”). Asks the Commissioner of Taxes to recommend changes so that income adjustments will be calculated on taxpayer’s current year house value, tax rate, and household income.

Joint Legislative Education Oversight Committee: Creates a Joint Legislative Education Oversight Committee consisting of three members from the House and three from the Senate, to monitor, evaluate research, oversee, and provide a continuing review of matters concerning education policy, education funding, and student outcomes and the intersections of each with corrections, economic development, health care, and human services issues.

Health Care Costs Work Group: Charges the office of Health Care Reform to consider alternatives available to school districts, supervisory unions, and their employees to address the impending excise tax. The director is required to consider the possibility of transitioning to plans offered through Vermont Health Connect (the Exchange) by 2018.

Clarify Roles and Responsibilities of Principals and Superintendents. Stakeholders will submit an agreed-upon proposal to clarify the roles of superintendents as systems managers and principals as instructional leaders – and each position’s relative responsibilities of supervision and evaluation.

Restructure Special Education Funding: Requires the Secretary of Education to propose alternative methods of delivery and payment for special education services. The proposal must consider best use of paraprofessionals in delivering special education services, ways to reduce administrative burdens, and increase flexibility in the provision of services.

Adequacy Funding Study. A robust study of our past and current finance and spending decisions will be undertaken to make recommendations about implementing an adequacy-based education funding system.”

The bill also included the proposed 2016 Property Tax Rates: Establish the fiscal year 2016 property tax rates at \$1.525 (non-residential) and \$.98 (homestead), the base income amount of 1.94 percent, and base education amount at \$9,459.00. Puts in place a Yield Method of determining the tax rates for FY2017 and beyond by fixing rates at \$1.00 (homestead rate) and 2.0 percent (base income amount).

There were numerous votes on the bill and amendments to the bill and I supported the House Education Committee's recommendation on each vote. The clear expectation of many constituents is that education reforms be undertaken and difficult choices be made and that local voices be respected. This bill preserves local control but local control would be more regional. It requires us to come together to construct the best education we can afford and sustain. Though it includes elements I don't like such as spending caps because they don't take into account variable circumstances, it also includes measures that say the legislature cannot impose unfunded mandates or it has to pay for them by moving dollars from the General Fund to the Education Fund. Change will be difficult but it will be necessary to better educate children for the 21st Century and to level off the ever increasing property taxes of recent years. The vote on the bill was 88 to 55 and I voted yes.

H. 35 An act relating to improving the quality of State waters

The water quality bill was the other bill this week that received a great deal of attention. Here is its purpose section:

PURPOSE; IMPROVEMENT OF THE QUALITY OF STATE WATERS It is the purpose of this act to:

- (1) improve the quality of the waters of Vermont;
- (2) authorize and prioritize proactive measures designed to implement and meet the impending Total Maximum Daily Load (TMDL) plan for Lake Champlain, meet impending TMDL plans for other State waters, and improve water quality across the State;
- (3) identify and prioritize cost-effective strategies for the State to address water quality issues; and
- (4) engage more municipalities, agricultural operations, businesses, and other interested parties as part of the State's efforts to improve the quality of the waters of the State.
- (5) provide mechanisms, staffing, and sustainable financing necessary for State waters to achieve and maintain compliance with the Vermont water quality standards.

Here are the major elements of the bill as stated by Rep. Krebs from the Fish, Wildlife and Water Resources Committee:

“Purpose: This bill improves the quality of the State waters, implements the Lake Champlain TMDL and meets the impending TMDL for other waters, identifies cost effective strategies to address water quality, and engages stakeholders in efforts to achieve cleaner water throughout the state.

Small Farms: “Small Farms” would be defined as a parcel of land on which 10 or more acres are used for farming and that houses no less than a number of animals (to be set by rule) and more than the maximum number of animals for a small farm (e.g. 199 dairy cows), OR produces crops for sale. Small farms would be required to certify compliance with the Accepted Agricultural Practices (AAPs) every 5 years. The Agency of Agriculture (AAFM) would be authorized to inspect farms to determine compliance with the AAPs. During inspection, AAFM would identify areas that could use assistance to improve compliance with the AAPs. Identified areas would be ranked and receive priority assistance to achieve AAP compliance. An annual fee of \$250 (beginning in 2016) would be assessed on farms housing fewer than 100 mature dairy animals and \$500 on farms housing 100 to 199 mature dairy animals.

Agricultural Water Quality Funding: An Agricultural Water Quality Special Fund would be established to fund the administration and implementation of water quality programs. The following fees would be deposited into the fund: \$2,500 annual registration fee for large farms, \$1,500 annual registration fee for medium farms, annual \$100 registration fee for commercial feed \$100, \$30 a ton fee on nonagricultural fertilizer distributed in the State, annual product registration fee on pesticides of \$125. \$1,056,000 will be appropriated to AAFM in FY2016 for 7 agricultural water quality positions

Farmer Training: Agency of Ag would adopt requirements for training owners or operators of small, medium, and large farms regarding: prevention of discharges to waters; mitigation of stormwater runoff; and land application of manure, nutrients, septage, and sludge – and would require training as a condition of a LFO permit, MFO permit, and SFO certification.

Custom Applicators: Custom applicator means the owner of a company engaged in the business of applying manure, nutrients, septage, or sludge to land for compensation. Custom applicators will be required to complete 8 hours of training over each 5 year period to address application methods that minimize runoff and identification of weather or soil conditions that increase risk of runoff.

Enforcement: The new enforcement subchapter streamlines and makes consistent the existing enforcement authority, while also providing new authority, including: Emergency assistance orders to protect water quality; Mandatory corrective actions; and Authority to remove livestock when the volume of livestock waste exceeds farm capacity. When a farm is found to be in violation of the LFO, MFO, or AAP requirements, the Agency must provide the farm with a “required corrective action” plan. The Agency will also have civil enforcement authority to enjoin activities, order corrective actions, and levy civil penalties of up to \$85,000 for violations.

Stream Alteration: A stream alteration permit will be required for an agricultural practice that moves 10 cubic yards of in stream material except for approved stream bank stabilization projects.

Land Use Conditions: Property Valuation and Review (PVR) shall remove agricultural land or a farm building from use value appraisal (UVA) if the owner/operator is identified by the Agency of Ag as out of compliance with the water quality requirement or not in compliance with an enforcement order for an agricultural water quality violation. If land or a building is removed from UVA, a farmer may not apply for reenrollment until the Agency notifies PVR that the owner or operator is complying with agricultural water quality requirements or the enforcement order for an agricultural water quality violation. Agricultural land or a farm building included in an AAFM notification to PVR would be subject to the land use change tax.

ANR Basin Planning: ANR must update the basin plans for the 15 watersheds and conduct certain activities in planning, including: ensuring involvement by municipal officials and interested parties; ensuring local input in planning process; providing education to municipal officials regarding planning and developing a recommendation on conformance of basin plan with applicable regional plans.

ANR Stormwater Management: Clarifies activities that require an ANR stormwater permit and activities that are exempted. ANR would issue general permits for stormwater discharges from municipal roads by July 1, 2021. By Jan. 1, 2018, ANR would issue a general permit for discharges of stormwater from impervious surface of 3 or more acres in size that previously were never permitted or were permitted under a pre-2002 permit standard. The general permit shall require retrofitting or redevelopment of old impervious surface. ANR may deny an application for a stormwater permit due to an applicant's compliance history.

Vermont Clean Water Fund: A Clean Water Fund Special Fund would be established to provide funding to programs and projects that address sources of water pollution in impaired waters, projects that address water pollution in critical source areas, and programs or projects to repair riparian conditions that pose a risk of flooding. The Fund would consist of revenue dedicated to it including a 0.2% surcharge on the property transfer tax. A Clean Water Fund Board would administer the Fund, made up of the Secretaries of ANR, AAFM, AOT, and ACCD, and 8 additional members, appointed by the Speaker of the House, the Committee on Committees, and the Governor. The Clean Water Fund Board shall make recommendations to the Secretary of Administration regarding how funds from the Clean Water Fund shall be included in the State budget.

Clean Water Surcharge and DEC Fees: A 0.2% surcharge would be placed on the value of property subject to the property transfer tax. The surcharge is not assessed on the first \$100,000 in value of property used for the principal residence of the transferee and is not assessed on the first \$110,000 in

value of property purchased with VHFA funds. The surcharge is deposited in the Clean Water Fund and will sunset in 2021. \$1.3 million in DEC fees has already been approved and, combined with a \$1.3 million ANR appropriation, will provide funding for 13 water quality staff.

Logging: The Commissioner of Forests, Parks and Recreation will revise the Acceptable Management Practices by rule by March 1, 2016 to ensure that all logging jobs are designed to prevent water quality impacts.”

There were several votes on the bill. First the bill was divided between the sections on policy and the sections on how to pay for it. Every member present voted for the policy sections. A substitute amendment that would have underfunded the bill and hurt the Vermont Housing and Conservation board failed 40 to 100 and I voted no. The vote to restore the proposed funding passed 125 to 16. The final vote on the bill was 133 to 11, a strong bipartisan vote, and I voted yes.

H. 367 An act relating to miscellaneous revisions to the municipal plan adoption, amendment, and update process

This bill lengthened the interval between reviews of municipal plans from eight to ten years but put in place interim monitoring of municipalities’ plans to see and understand how they are being implemented. The bill was considered non-controversial and passed on a unanimous voice vote.

H. 492 An act relating to capital construction and State bonding

The annual capital construction bill is now a two year budget plan. In the first year of the biennium the bill lays out bonding authority for the next two years. Important to Pownal, the bill includes authorization of the final principal and interest payments on the state’s share of the wastewater project. This has been a long time coming. For a number of years the town has borrowed the money to cover the state share while the state covered the interest payments. Now the town will no longer be carrying that debt. This long range plan has made sense for the town and the state but now that the principal has been reduced over the years by the state, it is a good time to resolve that portion of the financing package for the project.

The bill also included funding for elevator repairs at the Bennington Monument, for work at the Vermont Veterans Home, and it restored funding for the building communities programs.

One section of the bill was controversial and that was a measure to put the state on the same footing as federal projects and state transportation projects by using federal Davis-Bacon prevailing wage guidelines for state construction projects. An amendment to take that section out of the bill failed 58 to 83 and I voted no to make sure middle class workers are paid competitive wages.

H.R. 8 House resolution, entitled House resolution expressing strong opposition to state religious freedom restoration legislation that authorizes discrimination based on sexual orientation

Before the legislature adjourned on Friday we passed a resolution reaffirming Vermont's historically strong support for equal rights. This action was in response to recent legislation in Indiana and other states. Here's the resolution.

Whereas, in 1992, the State of Vermont prohibited discrimination based on sexual orientation, and

Whereas, in 2000, the State of Vermont established civil unions, becoming the first state to grant legal recognition to same sex couples, and

Whereas, in 2007, the State of Vermont prohibited discrimination based on gender identity, and

Whereas, in 2009, the State of Vermont established full marriage equality, becoming the first state to grant this recognition legislatively, and

Whereas, on March 26, 2015, Indiana adopted the Religious Freedom Restoration Act that many organizations, businesses, and individuals criticized as potentially granting private businesses the right to discriminate against individuals who are gay, lesbian, bisexual, or transgender, and

Whereas, the National Collegiate Athletic Association (NCAA), which is headquartered in Indianapolis, expressed concern how the legislation might affect student-athletes and NCAA employees, and the American Federation of State, County and Municipal Employees cancelled plans to hold its 2015

Women's Conference in that city, and

Whereas, the Indiana law sparked a national conversation about similar legislation under consideration in Arkansas and other states, and how best to protect Americans' religious liberties while also ensuring that no groups or individuals are discriminated against, and

Whereas, Governor Shumlin condemned the Indiana law, offered Vermont as an alternative to any organizations that did not wish to hold conferences or events in Indiana, and the Secretary of Administration cancelled State-funded and State-sponsored trips to Indiana by employees of the State of Vermont, and

Whereas, in response to the national controversy, on April 2, 2015, the Indiana legislature passed, and Governor Pence signed, an amendment clarifying that Indiana's Religious Freedom Restoration Act did not authorize the denial of services, facilities, public accommodations, goods, employment, or housing to anyone on the basis of race, color, religion, ancestry, age, national origin, disability, sex, sexual orientation, gender identity, or military service, and

Whereas, also on April 2, 2015, Arkansas Governor Hutchinson signed into law a religious freedom bill that had been modified in response to concerns that it might lead to discrimination, now therefore be it

Resolved by the House of Representatives: That this legislative body expresses its opposition to Indiana's Religious Freedom Restoration Act as originally passed and expresses its support for the amendment signed into law on April 2, 2015, and be it further

Resolved: That this legislative body reaffirms its support for protecting religious liberties while protecting members of the lesbian, gay, bisexual, and transgender communities from discrimination, and be it further

Resolved: That this legislative body declares its strong opposition to any federal or state law that discriminates against an individual or group of individuals based on their race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability, and be it

further

Resolved: That this legislative body encourages all 50 states to enact nondiscrimination statutes to protect their lesbian, gay, bisexual, and transgender citizens, and be it further

Resolved: That this legislative body requests Governor Shumlin to modify the directive concerning State employee travel so that it applies to any state that adopts, or has adopted, a law similar to the original version of Indiana's Religious Freedom Restoration Act, and urges the Judicial and Legislative

Branches of State government to adopt a similar policy, and be it further

Resolved: That the Clerk of the House be directed to send a copy of this resolution to the governors of all 50 states, Chief Justice Paul Reiber, Speaker of the House Shap Smith, and Senate President Pro Tempore John Campbell.

The resolution passed 119 to 1 and I voted yes.

May the coming week be very good for you and your family.

Stay in touch,

Bill

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