

# 2024 Town Meeting Day Report

## Norwich Sharon Strafford Thetford



**Rep Rebecca Holcombe**

**House Appropriations  
Committee**

We started off the legislative session committed to bearing down on the priorities you told us about: affordability, housing, climate resilience, and public safety. We were also challenged to respond to the damage caused by the terrible flooding of last summer. From the start, we knew budgets would be tight. Projected state revenues are about \$17.9M below fiscal year 2024 revenues. Federal relief dollars are also coming to an end, creating new stresses in budgets across sectors. Yet another year of escalating health care costs is also stressing state budgets and your pockets at home.

We know the current economic environment is proving difficult for Vermont families and businesses. Many of you have written about Act 127 of 2020, the school finance bill that is expected to drive big increases in tax bills this year. We are both working hard to fix the formula and clarify what costs should be in school budgets, so that our communities have good schools at a price that education property tax payers can afford to support.



**Rep Jim Masland**

**House Ways and Means**

### **Appropriations Committee : Budgeting to Meet the Needs of Vermonters**

In the first half of the legislative session, the Appropriations Committee prepares the FY24 budget adjustment—a “true up” of the current state budget that reflects actual revenues and new cost pressures midway through the fiscal year. The committee also takes testimony from all state agencies and develops the FY25 state budget.

During the pandemic, Vermont received an enormous amount of federal money. That funding is now spent or obligated, and the House is making sure every last federal dollar is used effectively to create a more resilient Vermont. We are also coming to grips with new cost pressures and needs.

The budget adjustment process—and now the FY25 budget process—are shaped by three realities. First, unlike in recent years, we do not have pandemic federal funds to rely on. Second, we’re still trying to help our neighbors in flood-stricken communities. Third, the committee’s review of proposed state agency budgets reveals underfunded and fragile organizations in need of critical support. This translates to workforce shortages, agencies that can’t provide the services Vermonters need, upward pressure on wages for state workers, and IT systems so outdated they make it hard for employees to do their jobs. In several cases, we’re leaving tens of millions of federal dollars on the table because we have not invested in core systems that would make us eligible to access those dollars.

Despite the challenges, we’re celebrating significant success stories. For example, Vermont is on track to push high-speed internet access to all corners of the state. Flood damage was less severe than it might have been due to previous investments in resilience. Families across the state are signing up to access new childcare subsidies, the result of last year’s historic legislation.

As we grapple with this year’s budget challenges, we’re working hard to put dollars behind our priorities. The House budget will make sound investments to enhance the stability and effectiveness of state government, while making sure we fund strategic priorities like flood recovery, housing, public safety and climate resilience. Our goal is to create a budget that meets the needs of Vermonters, at a cost they can afford. We are taking care to make sure Vermont is a place all people can thrive, not just the select few.

### **Ways and Means Committee: Tax Resources for Vermonters**

This year, the Ways & Means Committee has had a theme of helping Vermonters understand the options available to help reduce their tax burden, and how to navigate challenges they may have with the tax system in Vermont.

Why file? Even if your income is below the threshold to file a return, you still should! There are credits and incentives available that can save a lot of money. First, if you are a homeowner you should file a homestead declaration. Two thirds of Vermonters are eligible for income-based property tax relief and filing the homestead declaration is the way to receive that discount. <http://tax.vermont.gov/property/property-tax-credit>

Also, you may be eligible for some tax credits. There are dozens of credits, but two of our largest are the Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC). The EITC is meant to offset taxes paid by low-wage earners, and the CTC offers a per-child amount to families.

Need help filing taxes to receive these important benefits? Taxpayers can find free tax preparation help near them with a simple search:<https://irs.treasury.gov/freetaxprep/>. Both AARP and Vermont Income Tax Assistance are two additional free resources for tax preparation. Finally, Vermont’s Taxpayer Advocate is employed to help Vermonters navigate their tax challenges; reach out at (802) 828-6848 or [tax.taxpayeradvocate@vermont.gov](mailto:tax.taxpayeradvocate@vermont.gov).

### **Government Operations: Protecting Your Data: States Take the Lead**

Every day we disclose, intentionally or not, a tremendous amount of personal information. Beyond what we share or “like” on social media, search engines, cell phones, health trackers, stores (both online and physical) and other data brokers are collecting not just our names, addresses, and Social Security numbers, but also our shopping habits, blood pressure, gait and sleep quality, fingerprints, our travel routes and the places we visit, who our friends are and their interests, and so much more. This personal and biometric data belongs to us, yet it is harvested, packaged and sold by—and sometimes stolen from— these data brokers without our knowledge or permission.

The federal government has failed to act on this issue, so 14 states have passed legislation to protect consumer privacy, our personal identification, and most importantly our children’s data. Another ten states, including Vermont, are working on data privacy bills. Building on the work done in states across the country, like Connecticut and California, the House is creating H.121—a data privacy bill that works for Vermonters, is right-sized for Vermont businesses, and aligns with other states in our region.

### **Corrections & Institutions**

The number of incarcerated individuals in Vermont’s corrections system has remained stable in recent years — a little more than 1,300 individuals are incarcerated in Vermont at any given time. Over 90% of this population has been diagnosed with a chronic medical condition, and for well over 60%, one of those conditions is substance use disorder. The mission of Vermont’s Department of Corrections (DOC) is to rehabilitate and prepare these individuals for success in the community. While some have long sentences, most incarcerated adults will complete their sentence within a few years.

Working to meet the needs of justice-involved individuals is a key policy area for the Corrections & Institutions Committee. We are progressing with plans to design a new trauma-informed women’s facility that’s focused on successful re-entry. Site selection is underway, and design and planning will unfold over the next several years.

Creating educational opportunities is another bright spot in corrections policy. Today, 90 incarcerated individuals are taking seven different CCV classes at three correctional facilities. Another 29 correctional officers are enrolled through the federally supported program and are taking classes on the outside—offering a great perk for our hardworking correctional staff.

The legislature is encouraging DOC to take a closer look at re-entry planning and continuity of crucial services. We want to avoid lapses in healthcare and prescriptions. Innovative solutions include a pilot project to bring community-based recovery coaching into our correctional facilities, and then providing continuous recovery support to those reentering the community.

### **Crucial Infrastructure: Adjusting the Two-Year Capital Bill**

In addition to our flood recovery efforts, the House Corrections and Institutions Committee is actively involved in adjusting the two-year, \$203 million Capital Bill. This legislation creates crucial infrastructure investments for Vermont, and it covers a range of projects aimed at supporting public services and boosting economic growth.

Recognizing the need to carefully invest public funds, the committee is reviewing project status updates and adjusting allocations. Our goal is to direct resources to initiatives that best serve Vermonters' needs and priorities. For example, the Vermont Veterans home in Bennington, which offers housing capacity for 138 veterans, is partly supported by funds from the Capital Bill for major maintenance. Major maintenance and repairs to our 29 state-owned historic sites are also funded through the Capital Bill.

### **Flood Recovery for our State Capital**

The State House in Montpelier and the Capitol Complex are the seat of Vermont's government. The three branches of government—the Legislature, Governor, and Judiciary—all have their main offices in historic buildings in downtown Montpelier, and historic and unique buildings also house Vermont's constitutional officers (Treasurer, Secretary of State, Attorney General, Auditor).

The July 10 flood that devastated Montpelier did not spare the Capitol Complex. Every office and branch of government was affected, and we are all working together to bring buildings and offices back online.

All but four State buildings affected by the flood have reopened, and the House Corrections & Institutions committee has been working with the state's architects and engineers to review the scope of flooding damages and plan for repairs.

The price tag will be significant, but insurance payouts and FEMA will help with a 90% match. Considering the likelihood that these buildings could flood again, here's good news: previous flood mitigation measures worked. We can rebuild using measures that will be less prone to flood damage next time.

### **Updating Vermont's Renewable Energy Standard**

Vermont's Renewable Energy Standard, an energy policy passed in 2015, put Vermont's electric utilities on the path to cleaner electricity from renewable sources like hydro, solar and wind. Since then, the state has committed to transitioning away from fossil fuels, joining the global call to action to reduce carbon emissions and protect our future. Now, with historic federal funding available for clean energy, Vermont is set to make major progress over the next decade.

H.289 reflects a remarkable collaboration among Vermont's electric utilities and environmental groups to bring more renewable energy into our grid faster. The updated Renewable Energy Standard raises electric utility requirements for renewable energy to 100% by 2030 for most utilities, with a longer timeframe (2035) for smaller, rural utilities. The bill doubles the amount of new renewable energy built in the state, bringing on good-paying clean energy jobs and better protection from rising fossil fuel energy prices. To make sure all Vermonters have access to the benefits of renewable energy, the bill also includes a study on current and needed programs for affordable housing developments and customers with lower incomes.

### **Modernizing Act 250**

With the housing crisis and threats from a changing climate becoming dire, the legislature launched a deep examination of how to better protect our communities, air, water, wildlife, forests and working lands. Since 1970, our statewide land use law, Act 250, has helped support compact development in downtowns and village centers while protecting forests and open lands. Last summer, a working group convened by the Natural Resources Board collaborated on needed updates to Act 250 to facilitate building in the right places and better protect natural resources. After months of work, consensus emerged on several important updates.

H.687 is a comprehensive bill that weaves together recommendations from the Act 250 working group with related regional planning and statewide designation program updates. The bill seeks a balanced approach to improving the effectiveness and consistency of the Natural Resources Board in issuing Act 250 permits and handling appeals. It proposes a new location-based oversight that defines three "tiers" covering downtowns and village centers (tier 1), rural areas (tier 2) and the most ecologically sensitive areas (tier 3). The House Environment and Energy Committee is hearing from many witnesses as it fine-tunes these areas and incorporates ideas from related bills.

### **Law Enforcement and Public Safety (Act 30 and PR1)**

Last year we focused a lot of attention on law enforcement training and accountability, as well as a model financial policy for sheriffs through S.17 and other bills focused on public safety. That work is continuing, with efforts like increasing courthouse security as well as improved training programs and recruitment for law enforcement. The Vermont Criminal Justice Council has made progress modernizing training and is hosting the largest classes ever at the police academy to fill law enforcement positions across the state.

In response to several high profile issues with Sheriffs offices across the state, Act 30 (S.17) required a number of reforms, including audits and model financial policy to be adopted. It clarifies that sheriffs should avoid conflict of interest or the appearance of conflict of interest and specifies what information should be made public. It also requires sheriffs to participate in Vermont's Code of Ethics Policy. The model policy for sheriff departments compensation and benefits and a new Director of Sheriff Operations are rolling out now.

The Senate is soon voting on a constitutional amendment, PR1, which the committee will take up after the Town Meeting break. PR1 will give the general assembly the power to set qualifications to run for and hold county positions like sheriff and states attorney, ensuring that we have objective standards for who can serve in these important positions. We shouldn't permit decertified law enforcement officers or disbarred attorneys to serve in these roles, but that is allowed under the current constitutional language.

### **Medicaid Expansion Act of 2024 with H. 721**

With 80 co-sponsors, H.721 represents the most ambitious effort to improve Vermonters' access to affordable health care in over a decade. While most Vermonters already have some form of health insurance, too many are under-insured: with sky-high deductibles and punishing co-pays, they cannot afford to use the insurance they do have and delay getting lower-cost preventative primary care. Inevitably, symptoms worsen and they wind up in our overburdened and high-cost hospital emergency rooms. Most parts of this bill will be undergoing a technical analysis so we know the exact cost—and to determine if federal dollars can lessen the burden on Vermont taxpayers. Among its many innovative provisions, this bill will:

- Expand Medicaid eligibility to all Vermonters with incomes up to 312% of the federal poverty level.
- Prevent older Vermonters on Medicaid from falling off of the Medicare benefits "cliff" by expanding eligibility for Medicare Savings Plans.
- Mirror current private insurance plans by allowing young Vermonters to keep their Dr. Dynasaur benefits until age 26.
- Increase Medicaid reimbursement rates to our providers so they can keep their doors open to all patients.

-Give small business owners an affordable option to provide their employees with health insurance through the Medicaid program.

### **Mental Health Crisis Response**

Mental health is a cornerstone of health in Vermont and a priority this legislative session. To respond effectively and respectfully to the mental health needs of all Vermonters, we're focusing on crisis response and community-based programs—specifically mental health urgent care, mobile crisis response, and the 988 suicide and crisis lifeline.

Currently, Vermont has six mental health urgent care programs. This includes four brick-and-mortar centers providing psychiatric urgent care for both children and adults. In addition to these centers, there are two “living room models” that are designed to feel like a welcoming space where guests feel safe and meet with teams to get support. These provide alternatives to emergency departments.

A new statewide mobile crisis response also helps people experiencing a mental health or substance use crisis by providing mental health and welfare checks in lieu of police intervention. Services are delivered by two-person teams in the community, referring individuals to other forms of care as needed.

Connecting it all is the 988 Vermont Suicide and Crisis Lifeline that responds to calls, texts, and chats 24 hours a day, 7 days a week. Through these and other programs, we are making sure there is always someone to call, someone to respond, someone to prevent, and somewhere to go.

### **Public Safety: Shoring up the System**

Public safety has been the theme for the House Judiciary Committee this session. Almost every bill we've taken up is connected to the crimes and conditions that contribute to the sense that Vermonters are not as safe as we were just a few years ago.

The two most effective crime deterrents are 1) a high probability of being caught and 2) certain and quick consequences for criminal activity. The probability of being caught depends on the presence and availability of law enforcement. The certainty and immediacy of consequences depends on a well-functioning, well-resourced criminal justice system made up of the courts, prosecutors, defenders, victim advocates, and restorative justice providers.

The legislature's primary lever to address the issue is the state budget. The Judiciary Committee continues to work with the Appropriations Committee to ensure that all vital elements of the justice system have sufficient resources. This work will enable cases to be heard in a timely fashion so that individuals are being held accountable for their actions as soon as possible. In addition to advocating for properly resourced criminal justice entities, we've voted several public safety-related bills out of the House and on to the Senate.

### **Expanded Protection for Victims of Domestic Violence**

Forty percent of all calls to Vermont law enforcement for violent crimes are related to domestic violence. This fact alone means any attempt to improve public safety must include efforts to prevent and address domestic violence.

H.27 is one such step. It adds “coercive controlling behavior” to the definition of abuse in the civil statute, making it something for which victims may request a relief from abuse order—commonly referred to as an “RFA.”

During testimony, we heard chilling accounts of coercive controlling behavior that ultimately preceded physical violence, including domestic homicide. In one case, a woman's husband removed the seats from the family minivan because he knew his wife would not drive her children anywhere in an unsafe vehicle. His act served to isolate her in their rural Vermont home, and meant that she had no way to escape. He later killed her and their children.

Current law requires seekers of relief from abuse orders to be physically harmed or in fear of imminent physical harm. The aim of this bill is to provide a pathway out of an abusive situation before physical violence occurs.

### **Addressing Climate Change and Resiliency Through Transportation**

The July 2023 flooding demonstrated that the threat of climate change is not in the distant future but is impacting Vermont today. We must not only reduce emissions, but adapt to climate change and build resilience.

In Vermont, our transportation sector contributes nearly 40% of our total carbon pollution. To reduce CO2 emissions, we must develop and sustain a transportation system that serves all Vermonters today and in a changing future. This session legislators have introduced H.693, the Transportation Infrastructure and Resiliency Act, which aims to provide more affordable, accessible and reliable EV charging, mobility and transit options to help Vermonters get around more easily, walkable and bikeable communities and funding to reduce community vulnerability and mitigate future damage.

Building more resilient transportation infrastructure enables Vermonters to access jobs, age successfully in our communities, and improve our health as we reduce the state's greenhouse gas emissions.

### **School Construction Aid: Taking the Next Steps**

Vermont's school buildings need more than \$6 billion in investments statewide to bring them up to date, replace worn-out systems, achieve code compliance, and replace buildings that would be cheaper to rebuild than repair. The state has not managed a program to assist school districts in paying for major capital projects since 2007, and some districts have struggled to pass bonds.

The House Education Committee is creating a bill—based on recommendations of a fall 2023 task force—to restart a state aid program that would share the cost of construction projects, with incentive contributions toward annual bond payments. The proposed program could be vital to districts while not affecting Vermont's pristine bond rating. While the program will take time to develop, the bill would provide immediate help to districts through grants and technical expertise for long-range planning. Meanwhile, the legislature will develop financing details and an incentive system.

### **Cost-Sharing for Education Services**

Act 46 of 2016 at first encouraged, and then required, school districts to unify as a way to better serve students and manage costs. Building on this progress, the House Education Committee is considering a bill that would allow school districts to collaborate on common needs such as specialized student services, joint supply procurement or regional busing contracts. Boards of Cooperative Education Services (BOCES) are common in other states, and are expected to be popular in Vermont once the legislature creates legislation to allow districts to form these legal entities. BOCES could conceivably provide highly specialized services that some students must now access in other states. The basic concept is strength and economy in numbers.

Paid for by Representative Rebecca Holcombe and Representative Jim Masland

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