

# **\*\*\* 2019 LEGISLATIVE REPORT 2019 \*\*\***

## **REP. CYNTHIA BROWNING**

*Arlington, Manchester, Sandgate, & Sunderland*

Below I provide information about some of the legislation that has moved in Montpelier. Any text in regular font like this is an objective summary. *Any text in italics like this contains my opinions.* Please contact me with questions, comments, suggestions, and criticisms – contact info is at the end of the report. I will be putting material on my website and on facebook as well. Remember that there is another session for this elected legislature starting in January, so bills that did not pass have another chance then.

I will continue to hold legislative “office hours” throughout the year: on the first Saturday of every month I am at Chauncey’s Restaurant on Route 7A in Arlington from 8 to 9:30 a.m., and on the second Saturday of every month I am at Charlie’s Coffee House on Bonnet Street in Manchester from 8 to 9:30 a.m.

### **TOWARDS CLEAN AIR, CLEAN WATER, CLEAN EARTH**

The legislature has put in place the final piece of funding for Clean Water Programs by re-allocating six percent of the existing Rooms and Meals tax revenue to this purpose. This final amount of about \$8 million combined with other state and federal funding brings the total annual amount dedicated to Clean Water in various ways to around \$50 million. The bill also sets up a system to have regional entities distribute funding for certain kinds of water quality projects that are not otherwise covered. Since this is a re-allocation of existing revenue there is no tax increase to support this funding.

*I worked hard to be sure that we did not increase the Rooms and Meals tax rates and that we did not take anything from the Education Fund. I also supported the state wide distribution of some of the funding to ensure that our area gets support to keep our clean waters clean and to clean up any pollution – to be sure that all the money does not go to Lake Champlain.*

S.49 is a bill to regulate polyfluoroalkyl substances in drinking and surface water. These are chemicals used in industrial processes. This could prevent another PFOA disaster by identifying existing threats and requiring more care by users of these chemicals.

In terms of our efforts to reduce greenhouse gases and slow climate change, we have a lot of work left to do, but we did take some actions this session. The state has increased funding to Home Weatherization for low income Vermonters without increasing the regressive fuel tax. In order to make it easier to switch to electric vehicles, the state will be providing a number of electric vehicle fast charging stations, and there will be an incentive of up to \$2,500 for low or moderate income Vermonters who purchase an electric vehicle. Since transportation and home heating are the two biggest users of fossil fuels in Vermont, these are small but useful steps.

*I will be supporting several more steps during the next legislative session. First, I believe that there are ways in which tax provisions function to subsidize the use of fossil fuels. For instance, corporations can*

*deduct the cost of using fossil fuels from their taxable corporate income and they can get credits for investing in machinery that uses fossil fuels. We must eliminate such subsidies. Secondly, I think that when there is a program that distributes state funds through grants to municipalities and nonprofit organizations, like the Community Grants Program, we should give the priority to projects that include increases in energy conservation and efficiency or increase the use of renewable resources.*

**S.30 is a bill that sets up a process for regulating hydrofluorocarbons, which are destructive greenhouse gas chemicals used in certain manufacturing processes. A schedule will be established for eliminating their use in certain products.**

**In terms of another kind of pollution, S.113 bans certain kinds of “Single Use Plastics”, including plastic grocery bags, plastic coffee stirrers, plastic straws (these can still be requested), and polystyrene food containers.**

*This is a useful first step to keep plastics out of our rivers, lakes, and oceans, but I think it is essential that we expand the container deposit and redemption system. This system appropriately requires manufacturers to take back their containers and consumers to pay the cost of doing that. The current recycling system is putting a greater burden on municipal property taxpayers as the markets for recycling materials have decreased. I would but return deposits on glass wine bottles, plastic water bottles, containers for iced tea and coffee, and all other kinds of beverages except milk and 100% juice.*

## **COMMUNITY HEALTH & SAFETY**

**The legislature has put in place three statutory changes aimed at reducing the number of young people who become addicted to nicotine. H.47 Taxes electronic cigarettes at the same level as regular cigarettes, and H.26 bans internet purchases of electronic cigarettes. S.86 Changes the legal age for buying cigarettes from 18 to 21. Tobacco related illness and death is wholly preventable, and we must do what we can to protect young people from getting addicted.**

**S.40 provides for lead testing of water supplies in schools and childcare facilities, along with some funding for remediation.**

**S.55 provides for the regulation of toxic substances and hazardous materials by setting up a working group to investigate chemicals, with the goal of reducing the number of chemicals to which children are exposed.**

**S.37 would have required corporations who carelessly handle toxic chemicals to cover medical monitoring for Vermonters who have been exposed due to that negligence and are at risk of developing certain diseases connected to those chemicals. The bill reflected an effort to achieve a balance in terms of equity for individuals and for corporations that are working to behave responsibly. However, the Governor vetoed this bill because in his view it put too much liability on the companies.**

**H.321 includes the murder of a firefighter or a member of emergency medical personnel in the criminal category of aggravated murder. This means that the required penalty would be life WITHOUT the possibility of parole.**

**H.169 would have required a 24 hour waiting period for completing the purchase of a hand gun in Vermont, and also made adjustments to the regulations of large capacity magazines put in place last year. The intent of the waiting period was to prevent impulsive purchases of guns that might be used in acts of violence, whether suicide or homicide. The Governor has vetoed this bill.**

*I could not support this bill because there is not enough evidence to support the claim that it would prevent suicides significantly. As far as we can tell, over the past twenty years very few gun suicides in Vermont MIGHT have been prevented – and of course, it is always possible that someone who is suicidal would simply wait the 24 hours. In addition, it would be possible for a person to buy a long gun without the waiting period, so that could be used instead. Further, there was no provision to waive the waiting period for Vermonters who already own a hand gun, and the 24 hour period complicates purchases at gun shows. Also, I am uneasy about restricting the purchase of a hand gun by someone who might need one for self-defense. I did vote for the gun control regulations put in place last year, but I did not see this proposal as meeting the same standard of effectiveness and equity.*

## **ABORTION RIGHTS AND RESPONSIBILITIES.**

Until now there have been no restrictions at all on abortion services in Vermont. Over 90 percent of all abortions in Vermont happen in the first twelve weeks, and only about 1% occur after 21 weeks. No abortion providers in Vermont perform elective abortions in the third trimester – any such procedures would only be for fetal anomaly or a threat to the life of the mother.

The bill H.57 prohibits public entities from depriving a consenting individual of the choice to carry out or terminate the individual’s pregnancy. It also prohibits public entities from interfering with or restricting, in the regulation or provision of benefits, facilities, services, or information, the choice of a consenting individual to terminate the individual’s pregnancy. The bill neither expands nor restricts current access and it does not make a policy change. The bill does not allow partial birth abortions as those are prohibited by federal law.

*I supported H.57 because medical decisions should be made by a patient in consultation with a doctor without undue interference from the state. However, I would have supported restrictions on late term abortions that would have been in line with current practice. I believe that there should be no abortions after viability except for fetal anomaly or a threat to the life of the mother.*

*Access to contraception is the key to reducing abortions. We need to increase our efforts to educate women – and men -- about their rights and their responsibilities and to increase access to family planning. Abortions should be safe and legal, but very, very rare.*

Proposition 5 is an amendment to the Vermont Constitution that protects personal reproductive autonomy, thus ensuring access to abortion in particular. The language of the proposal frames the right to personal reproductive liberty as an extension of the values expressed in our Constitution in that Chapter I, Article 1 declares “That all persons are born equally free and independent, and have certain natural, inherent, and unalienable rights,” and further “That government is, or ought to be, instituted for the common benefit, protection, and security of the people.” In order to be adopted this amendment will need to be approved by the 2021-2022 Legislature and then be approved by a state wide referendum vote.

*While as stated above I did vote for H.57, I could not support the language proposed in PR 5 because the right to an abortion granted is absolute, with no qualification or consideration of the point of viability in a pregnancy. I interpret this language to mean that a baby that has achieved viability in a woman’s womb has no recognition while a baby at the same stage of development that happens to be delivered early has full rights and recognition. I cannot enshrine such a contradiction of treatment into our Constitution.*

## **CANNABIS REGULATION & TAXATION.**

S.54 would create a legal market for Cannabis with regulation and taxes is in the House Ways & Means Committee. This bill creates a board to develop and impose regulations. License fees and tax rates

would be set to finance the regulations put in place. Municipalities would have a certain ability to prevent establishment of retail entities if the community voters did not want them.

Vermont already has a Medical Marijuana program and it is legal for Vermonters to grow cannabis for their own use.

*I do not believe that I can support the bill in its current form. I would like to see a different approach in which recreational cannabis products can be purchased only through licensed clubs and licensed cooperatives. Growing and processing would be legal and products would be sold to those licensed entities for retail distribution. Systems of delivery or overnight accommodation could be set up that would mitigate the possibility of intoxicated driving following purchase and use. I think that providing a legal distribution system that requires a membership fee of some kind rather than many retail stores may be one of the best ways to ensure that young people do not get expanded access to this drug after legalization. I also would like to see this new industry required to use renewable energy as much as possible and to minimize the use of chemicals in growing and processing.*

### **EFFECTIVE HELP FOR WORKING VERMONTERS.**

A number of provisions have been put in place to provide greater support to low income working Vermonters. Last year the state increased the Earned Income Tax Credit, which provides a refundable tax credit for those at certain levels of wage income. This year we have expanded and increased funding for the Child Care Financial Assistance program, which subsidizes the cost of child care for low income working parents. And we have re-designed and expanded workforce training programs repeatedly over the years, doing so again this year, so that workers have a chance to develop the skills that are in demand by employers.

### **PAID FAMILY & MEDICAL LEAVE.**

This year H.107, a bill to provide paid family and medical leave, was under consideration in both the House and the Senate, but those two bodies were ultimately unable to reach a compromise to achieve final passage. This issue will be under consideration again in January. These proposals would provide some amount of paid leave at 90% wage replacement if an employee is ill or injured and temporarily unable to work, or if an employee needs to care for a family member, or if an employee has a new baby. The elements in contention were how many weeks of leave would be provided, whether participation in the program would be entirely mandatory and financed with a payroll tax increase, and whether employers would be mandated to pay a portion of the premium. The different versions of the program considered would cost from around \$30 million to around \$80 million a year and might be used by up to about 15,000 Vermonters a year.

*I see this as an important benefit to make available to Vermont workers who do not already have it, but I could not support the expansive and expensive mandatory program considered in the House financed with a payroll tax on all Vermont workers. I would like to see a program with 80% wage replacement for up to four weeks of paid leave to start. I would use the payroll withholding for the premium, but with the ability to OPT OUT – employees could choose not to participate, so it would not be a mandatory payroll tax but an insurance premium. Employers could choose to pay some of the premium.*

*I believe that the wisest course is to put in place a program like this -- one that starts out small and voluntary. We would provide a benefit for those who want it but do not have it without imposing a tax increase on those who do not want it. We could always expand the program as we understand more about the costs. I want to provide some level of paid family and medical leave support, but I don't want to create an expensive new benefit when so many of our existing programs are not properly funded.*

## MINIMUM WAGE

In S.23 the House and the Senate both passed versions of a bill to require increases in the minimum wage beyond those required by current law, with the goal of reaching \$15 an hour. At the end of the session negotiators for the two chambers were unable to agree on a compromise, so this issue will be under consideration in January. Some of the issues involved were how big the mandated increases should be, whether there should be a pause button if the economy goes into a recession, whether adjustments should be made for businesses that provide benefits, how to deal with the effects of such increases on the state budget, and how to deal with the effects of such increases on vulnerable Vermonters who employ Home Health assistants.

Vermont has already increased the minimum wage from \$8.73 in 2014 to \$10.78 in 2019. Entry level wages are already above this minimum in some parts of the state. Under current law the Vermont minimum wage will continue to rise with inflation, so these workers will not fall behind in purchasing power.

*I voted for the minimum wage increases put in place in 2014, but I continue to have grave reservations about further large mandated increases at this time. This is because I am concerned that further large increases will end up hurting many of the people that we want to help. Further large increases now will likely result in loss of work hours, reduction in job growth, and faster automation of tasks through substituting machines for workers. Some workers may lose government benefits when their wages increase, so that they end up no better off. In addition, we are likely to have a recession soon, and raising the minimum wage when the job market is slow could result in more unemployment, especially in slow growing regions of the state. I would like to explore whether we could have a lower minimum wage for businesses that provide benefits like health insurance and retirement – I don't want to see these businesses stop offering those benefits because they have to pay more in money wages. More increases would also make it more costly for people who use home health care workers as the federal subsidies would not increase. Increasing the Earned Income Tax Credit or child care subsidies as we have done are more effective and reliable ways to support low income working Vermonters.*

*Some people argue that increases in the minimum wage will stimulate the economy with more spending. I believe that this effect will be minimal because many workers are shifting from government benefits to wages, with little net increase in purchasing power, and the money to fund the minimum wage increase comes largely from other Vermonters who would otherwise have spent it – from other Vermont workers who now get smaller wage increases or from Vermont business owners. Further, it is important to note that half of those living in poverty are not working, so any change of the minimum wage does not fully address poverty.*

*I could support a minimum wage bill that has smaller increases over a longer period of time, in order to mitigate any adverse effects on working Vermonters and to allow businesses to adjust.*

## ECONOMIC DEVELOPMENT.

One of the biggest drivers of economic activity is state spending, both through the investments in important infrastructure that support the economy and through creating jobs as those investments are made. The transportation program will invest in all kinds of projects all across the state. Similarly, investments in upgrades of municipal water and sewer facilities will create jobs as they improve vital community assets. This year the state has increases state funding for extensions of broadband service in rural areas. The increases in workforce training and child care subsidies mentioned above also support economic development.

In S. 58 Vermont establishes policy and procedures for growing, processing, testing, and marketing hemp and hemp products that comply with federal law. It is essential that farmers can take advantage of

this growing market opportunity. The Secretary of Agriculture will establish and administer this Hemp Program.

### **EDUCATION PROPERTY TAX RATES.**

This year the rate of growth of education spending is faster than last year, almost 4%. Fortunately, various sources of revenue in the fund have also grown, but not as fast as that. The average homestead education property tax rate will go up 1.3 cents this year, and the statewide nonhomestead rate will increase by 1.4 cents. There will be higher and lower increases in different towns depending on local factors.

*Unfortunately, there are still continual efforts to either put added costs into the Education Fund or to take revenue out of it, either of which will drive property tax rates higher. While some of these uses involve worthy programs like child care or support for college, I continue to believe that the Education Fund should only be used for pre-K through 12 education costs to keep property taxes under control, and I will continue to work to make progress towards that goal.*

### **UPDATING THE TAX CODE.**

This past session the Legislature made some changes in tax provisions that are designed to adjust our tax code to the development of the digital economy and all of the changes associated with that. One example is to extend collection of the state sales tax to purchases on line. Another is the re-definition of how certain aspects of corporate income taxes are calculated.

*I have supported these changes, but I think that we need to go further in one particular area. Right now there are giant corporations who do some business in Vermont who earn millions and millions of dollars in revenue, but they pay only \$750 in Vermont corporate taxes because they earn no profits – they are growing based on continual injections of capital investment and debt.. Corporate taxes are imposed on income after costs. So these corporations worth millions or billions have minimized their tax obligations by choosing rapid growth through continual injections of debt or stock sales over profitability. I would like to put in place a provision that a corporation with income over a certain level has to pay a percentage of that revenue in Vermont taxes whether or not they have positive net income. All of us need to pay a fair share, and I don't think that these companies are doing that.*

## **Rep. Cynthia Browning**

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