2024 MID SESSION REPORT



We're halfway through the 2024 legislative session! Our work for the second year of this legislative biennium officially began on January 3rd. We've passed some significant legislation in these first two months, and this report provides highlights. Meanwhile, work on our key priorities will continue, across the House and in collaboration with the Senate, as we debate bills and consider investments prior to our anticipated May adjournment. It's an honor to serve as your state representative. Please reach out anytime with ideas, questions and concerns.

Rep. Daisy Berbeco

2024 LEGISLATIVE PRIORITIES

The legislature will tackle a wide range of issues in 2024. While none of these challenges can be solved in a single session, our priorities include:

- Passing and maintaining a balanced state budget that reflects your values and priorities.
- Tackling the complex and interconnected challenges of housing and workforce development and supports.
- Enacting forward-looking, inclusive strategies to combat climate change and transition to a sustainable way of life, as we implement a plan to achieve emissions reduction requirements as outlined in the Global Warming Solutions Act.
- Creating affordable housing stock for Vermont's working families and addressing homelessness statewide by modernizing zoning laws and increasing funding for construction.
- Supporting business stability and growth in all corners of Vermont, and increasing the capacity of our rural communities to access resources and plan for a vibrant future.

This is far from a comprehensive list. With 150 members and 13 standing committees, the House can accomplish a lot during our five months in Montpelier. And in all of this work, we'll center equity — thinking deeply and looking toward the future to enact legislation that protects those who need it most and boosts all of our vitality.

APPROPRIATIONS

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, review of the Governor's proposed state agency budgets reveals severely 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, which are significant, 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 housing, public safety and climate resilience. Our goal is to create a budget that is responsive to the needs of vulnerable people living in our rural state.

The final page of this report includes an update from our Ways and Means Committee which is responsible for revenue and taxes. See that section for more fiscal info.

HOUSING

A Ten-Year Plan to Tackle Homelessness

In early February, Chris
Donnelly of the Champlain
Housing Trust, one of the
state's leading nonprofit
affordable-housing developers,



delivered an important and thorough report. It laid out a transformative ten-year plan for Vermont to create enough units, and provide the necessary support services, to keep our lowest-income Vermonters housed. The model calls for 300 new shelter or other beds for unhoused individuals and families, 7,500 additional homes and apartments of varying types, eviction prevention resources, and social services that these vulnerable Vermonters need. The House General and Housing Committee is developing a bill, H.829, based on this framework. At a projected price tag of \$200 million per year, this strategic investment could transform Vermont's affordable-housing landscape while saving lives (and money in the longrun).

Fighting for Housing Funding

The legislature has always made decisions based on the budget as suggested by the governor. But this year's proposed budget falls woefully short of the \$200 million required to stem the flow of people becoming homeless and remaining without adequate shelter, plus a reduction of funding for housing development overall. Act 250 reform, while important, cannot solely solve this crisis; long-term commitment will.

House General and Housing has also been exploring how to shore up housing through policy. We have taken a look at discrimination against people with unstable housing status and what that means for their ability to work and to obtain housing; we are helping to refine the structure and rules for the Vermont Housing Improvement Program; we are working on ways to assist Vermonters facing eviction during this housing crisis; and we are working to create permanent upstream eviction preventions.

Updating Our Anti-Discrimination Laws

In late February, the House passed <u>H.132</u>, a bill that would add housing status to Vermont's key anti-discrimination laws, including the Fair Housing Act and the Fair Employment Practices Act.

H.132 would prevent employers from refusing to hire someone—or landlords from refusing to rent an apartment to someone—if they are otherwise qualified but perceived to be homeless. Vermont laws already prohibit this kind of discrimination against members of many protected classes, including race, color, religion, national origin, age, sex, sexual orientation and gender identity. The bill, which passed on a near-unanimous

voice vote, will now move to the Senate. In <u>H.363</u>, we prohibited racial discrimination based on hair types, textures and styles; this bill passed on a near-unanimous vote and is off to the Senate for consideration.

HEALTH CARE

Medicaid Expansion Act of 2024

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 our health in Vermont. 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.

EDUCATION

Bending the Education Cost Curve

The unprecedented 2024 school budget increases have prompted the House Education Committee to begin taking exhaustive testimony from educators, researchers, school boards and many others about the future of Vermont education. As a state, how can we provide a high-quality education while controlling costs?



The end of federal pandemic-era funding—coupled with increased student needs, rising healthcare expenses, and employee contracts that reflect inflation—have all

contributed to spiraling costs and tax rate increases not seen in recent history. Everyone agrees that now's the time to look at long-term strategies to tackle either the cost of education, our complex funding formula, or both. It's not yet clear what this deep dive into school finance and educational needs will yield, but the current trend is untenable and is hurting all of our abilities to afford the state as a home.

JUDICIARY

A Statewide Approach to Restorative Justice

House Judiciary devoted a considerable amount of time to <u>H.645</u>, an act relating to the expansion of approaches to restorative justice. This bill seeks to codify the practice of pre-charge referrals to restorative justice providers—something we are calling "pre-charge diversion" because it mirrors the existing (post-charge) diversion program administered by the Attorney General's office.

Pre-charge diversion offers both responsible parties and victims an alternative to the traditional criminal justice system. It has the potential to help reduce the court backlog by not adding cases to the pipeline. It can also produce better results with more accountability and consequences closer to the commission of the crime. The bill also sets up improved data collection.

We took great care to honor prosecutorial discretion while making progress toward a statewide vision of restorative justice that ensures geographic equity. We've also worked diligently to protect victims' rights and bring a currently functioning-yet-fractured system together for the benefit of all Vermonters.

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 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.

ENVIRONMENT AND ENERGY

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.

WAYS AND MEANS

Tax Resources for Vermonters

This year, the Ways & Means Committee has worked to assist our understanding of the options available to reduce resident's 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.

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 lowwage earners, and the CTC offers a per-child amount to families.

If you are a home owner 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.

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 <u>AARP</u> and <u>Vermont Income Tax Assistance</u> are two additional free resources for tax preparation.

https://tax.vermont.gov/individuals/free-taxpreparation-assistance

https://states.aarp.org/vermont/aarp-foundation-tax-aide-opens-in-vermont

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.

Incentives for Electric Vehicles and E-Bikes

A variety of incentives for electric vehicles and electric bikes are helping us transition away from gasoline-powered vehicles. There are up to \$6,000 in incentives plus \$7,500 in tax credits available. The driveelectricvt.com website is a great resource with details about the incentives, a tool to compare vehicles and information about electric vehicle charging.

Grant Opportunities for Communities

This year's Bicycle and Pedestrian Grant Program will provide an additional \$4 million in funding for communities. The Bicycle and Pedestrian Program improves access and safety for bicyclists and pedestrians through the planning, design and construction of infrastructure projects. This VTrans program opens for applications in the spring of each year.

Donate at www.DaisyForWinooski.com

