

2016

TOWN MEETING REPORT

Rep. Tom Stevens & Rep. Theresa Wood



This is the eighth year in a row that the Legislature has come to work in January with a substantial budget gap to close. Each year seems to bring a different reason for the gap, and this year is no different. The preponderance of the gap this year is due to increased Medicaid costs, specifically because we are able to offer health insurance via Medicaid to more people. The price of this success is increased cost and reduced federal funds. The Governor proposed a slight income tax increase last year that may have eradicated this gap, but elements of the tax were opposed by a large majority of businesses and legislators. While dealing with these gaps limits a lot of creativity, we continue to accomplish some amazing things in this state. As difficult as solving these important issues can be at times, we are proud of the achievements we are making on your behalf, and we are doubly proud and honored to be your voices in Montpelier. Thank you for your support.



-Tom & Theresa

PHOENIX RISING

Over the last several months, we have seen a number of ribbon cuttings in Waterbury and some intense changes in our educational system, and while one doesn't necessarily connect with the other, they illustrate the up and down nature of the work of governing, and our collective role in it. This district has also said goodbye to Rebecca Ellis, and hello to Theresa Wood. As we complete the first half of this session, we'd like to review what has been some of the more important elements that have driven the conversation in our district.

For those of us in Waterbury, and for those of us in Huntington and Bolton who commute to work in Waterbury, this past December saw state workers start to return to the new state complex. To see this amazing new building arise from the worst natural disaster in our lifetimes is a testament to the focus of the team committed to rebuild in Waterbury. From the local workers who once knew how to keep an old, decrepit building running and are now in charge of a modern, efficient office building, saving the taxpayers thousands in operating costs each year, to the architects and builders and project managers and, yes, legislators and taxpayers, we created a building we, as Vermonters, can be proud of. It is green, clean and provides an incredible atmosphere — especially in comparison to what preceded it — in which to work. If you have an opportunity to visit it, please do. Made of Vermont materials by Vermonters, including the incredible art work by Sarah-Lee Terrat, Gordon Auchincloss and Kath Montstream, which joins the work of Terry Boyle as an investment made in public art by the Vermont Arts Council

On the other side of our ledger, we continue to struggle with Vermont Health Connect. On one hand, we are wildly successful: about 96.5% of Vermonters now have access to health insurance, and we're starting to see the benefits in cost reductions already (and remember, health insurance costs were rising at a rate of 10-15% yearly in the mid-2000's). What we have not seen succeed is the software that customers need to use to interact with VHC. To say we are disappointed is an understatement. We are studying whether it makes financial sense to move

to the federal exchange (at this point, no) and whether we can endure much more time of significant issues before the pressure comes to do so. If we do, we'll lose our subsidies that help keep costs down. But for some customers, the problems encountered give us less reason to believe we'll succeed in the long run.

We also passed legislation to allow small businesses to continue bypassing Vermont Health Connect. As we know, the computer technology to enroll small businesses has not functioned, therefore, those businesses will continue to be able to purchase coverage directly from insurers (Blue Cross/Blue Shield and MVP).

In other areas, we were finally able to pass a version of Earned Sick Days this winter that will eventually allow Vermont employees who work for companies or businesses that have not offered paid sick days the opportunity to earn up to 24 hours (and, eventually, 40) of paid time in the event of illness of themselves or a close family member. This simple benefit allows employers to be more generous, and sets a bare minimum for what we consider compassionate. The bill has been adjusted over time and softens the effect on smaller businesses by delaying implementation, and allows for employers to double check to make sure employees are not abusing the benefit. While it comes with a small cost to business, our research shows that the benefits net out over time, and we expect businesses will be able to absorb the benefit with a minimum of stress.

Waterbury has seen, as mentioned above, the reopening of the state complex. But it has also seen the completion of the long-awaited improvements in its waste water treatment plant, delayed by the flooding (and long negotiations with the state), the new roundabout at the intersection of Route 2 and Route 100, and the new municipal complex, history center and library adjacent to the Dac Rowe Recreation Field. All of these projects took a long time to move through the system, and with the rebuild of Route 100 to Stowe, the Exit 10 ramp and the Main Street reconstruction in our future, we will continue to see Waterbury emerge from the devastation wrought by Irene stronger than it was before.

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BOLTON

When Bolton allowed and helped negotiate the sale of 1,100 acres of land adjacent to Bolton Valley, it did not anticipate a change in the way the state calculated its payments in lieu of taxes (PILOT). This change affected Bolton in a negative way, which led to a new dilemma for towns with a lot of conserved and/or state land, as Bolton does — why should we help do something that will drive

our taxes up, no matter how “good” it is to do. A summer committee and a strong letter written by former Rep. Ellis helped tell the Bolton story to a larger audience, and the result may be a reduction in the expected loss. Action on this particular bill is still not complete, but the change has the support of most of the important players, from the agency to the committee to the administration. We expect this to be resolved by the end of the session.

MARIJUANA

Heading into Town Meeting break, the Vermont Senate passed a bill legalizing certain aspects of the sale and use of cannabis. This legislation is the result of over 100 hours of testimony during this biennium.

Rep. Wood and I hosted a marijuana listening session in Waterbury in December, and would like to do so in Huntington and Bolton, if there is interest.

While we can assume that the bill will not pass the House this year (because we, as a body, have NOT spent any time yet on this issue), we urge you to remain in contact with us, regardless of your stance. There are so many opinions,

facts, statistics, perceptions and realities to sift through, and, as your representatives, you can be assured that we will be researching this as deeply as we can. We will not rubberstamp legalization, nor will we dismiss it out of hand. Because we are not a “referendum” state, we cannot afford to simply legalize cannabis without the due diligence it requires.

We anticipate the bill coming to the House after break, and its first stop will, more than likely, be Judiciary. Where it goes after that is anyone’s guess.

You may read the bill, S. 241, as it passed the Senate on our Legislative website.

EDUCATION

We knew before the Legislature convened in January that revisions to Act 46 (the State’s education reform law passed in 2015) were needed within the first month of the session. Act 46 is intended to encourage and support local decisions that provide equity in educational opportunities statewide, promote achievement of the State’s Education Quality Standards, maximize operational efficiencies through sharing of resources, promote equal educational opportunity and deliver education at a cost that taxpayers value.

As local conversations unfolded and notice of unexpectedly high health care cost increases became apparent, it was clear that Act 46 needed changes. After much debate, the Legislature passed amendments to Act 46 that increased the spending thresholds by .9% for each school district, and provided other provisions to correct interpretation errors by the Agency of Education. Also, the thresholds were eliminated for FY 18. What did all of this mean for our schools?

- **Bolton**, as part of an early merger, will receive their tax incentive, and remains exempt from the spending threshold;
- **Huntington** was within the limitation of revised spending thresholds, and so no overspending penalty was imposed;
- **Waterbury** school boards saw that Thatcher Brook Primary School and Crossett Brook Middle School met the spending threshold, therefore no overspending penalty was imposed; and
- **Harwood Union High School** met the spending threshold, therefore no overspending penalty was imposed

All Washington West Supervisory Union schools are evaluating a proposed merger to bring before voters later this spring, which would qualify the district for tax incentives.

As noted above, Huntington is considering joining the modified union school district this year. This has been a difficult road for the town, and while the consolidation is not a direct result of Act 46, the fallout resulting from the passage of the most comprehensive educational governance reforms in more than a few generations did not pass by Huntington unnoticed. Bolton, on the other hand, has adjusted fairly smoothly and has seen an expected reduction in property taxes. This short term reduction, subsidized by the state, will ease their transition from an incredibly strapped school and town to, one hopes, a school that has been strengthened by joining a larger union. We expect this period of transition will allow Bolton (and the other towns in the district, including Huntington if it joins) time to make some deep and possibly difficult decisions about its near future prospects of success.

We appreciate the pressure this has put on our district’s school boards, and the disagreements we have experienced while contemplating and voting for these reforms. It is clear that one size does not fit all, and we tried to respond to some of the difficulties of instituting some fundamental reforms that we believe will help strengthen small schools, at the same time as asking communities to address the changing educational landscape, both in cost and in governance, due to a declining youth population.

A Note from Theresa

As your newest State Representative, I was appointed by Governor Shumlin to fill the unexpired term of former Representative Rebecca Ellis. Rebecca served our district very well and has now joined the Department of Environmental Conservation as their lead attorney. Since this is the second year of the biennium, I needed to hit the ground running. The Speaker of the House, Shap Smith, appointed me to the House Corrections and Institutions Committee. For those of you who don’t know me, I grew up in Waterbury, and graduated from Champlain College and Johnson State College. I worked in human services for people with intellectual and developmental disabilities, was chairperson of ReBuild Waterbury helping with flood recovery after Irene, and most recently was a community liaison between the Agency of Transportation and towns in and around Waterbury to keep the public updated on the various transportation projects in the area. As one of your State Representatives, one of my goals is to demystify the legislative process for the people I represent. I want to consistently communicate with the people of Bolton, Buel’s Gore, Huntington and Waterbury. We might not always agree on a given topic, but you will know where I stand and why.

IMPORTANT CONTACTS

State of Vermont Web Portal

www.vermont.gov

Vermont 211 Information

Dial 211 or www.vermont211.org

Vermont Health Connect

<https://portal.healthconnect.vermont.gov>