WLR Jan 5: Housing, Public Safety, and More

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Happy New Year and new legislative session, VLCT members!

You will likely note that much of the legislative attention and Governor Scott's agenda overlap with our **2024 Legislative Priorities**. A record number of new bills have already been introduced, and flood recovery is on everyone's agenda.

This session's Weekly Legislative Reports are a collaborative effort with our government affairs and lobbying partners, as we mentioned in the 2024 Legislative Preview. Beginning next week, we will provide you with more in-depth updates and analysis on the issues and topics you care most about, and we will also introduce a new way to track relevant bills as they move through the legislative process. Please share your thoughts and questions by joining us on Monday for the next Advocacy Chat.

State of the State Address

Governor Scott used his State of the State address to outline what he and many others see as the key challenges for our state: housing, public safety, and affordability. Here is a brief overview of how these might look. Keep reading for greater detail about much of this.

Housing

There is ubiquitous agreement that action is needed on **housing**, but how? The Senate Committee on Economic Development, Housing, and General Affairs will start the effort with a plan to vote on the housing bill in early February.

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- Act 250 reform will be the center of the bill and seek to drive compact settlements with protected green spaces and a reduced ability to abuse the system to stop needed development.
- Four studies during the off-session on Act 250 and land use regulation have supposedly coalesced into proposed legislation that represents a "grand bargain" for the long-promised dream of modernization.
- Without something done on housing, the state can't tackle its **workforce woes,** which continue as the state is at a historic low of 2.1% unemployment, and *if every person on unemployment took three open jobs, there would still be unfilled jobs in Vermont.*
- These are all driven by our **demographic crisis,** spelled out in a recent report, and go beyond the workforce to affect tax revenues, housing needs, and volunteerism.
- The Governor highlighted that we need about 6,800 new homes in Vermont *right now,* which would cost about $3 billion.

Public Safety and Quality of Life

Meanwhile, the escalating **public safety crisis** in Vermont has lawmakers unable to look away, as the state's cherished image and quality of life face erosion in certain areas. A joint hearing on public safety is already scheduled for January 17, and legislators are primed to address **retail theft**, **court staffing**, and **recidivism**. **Read more below.**

- However, not all proposals will be helpful; some will be pushing to refer more cases outside the legal system, eliminate cash bail entirely, and

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revive a **"homeless bill of rights"** with vague language that might legalize some anti-social behavior if "associated with homelessness."

- Statutory language to enable two **Safe Injection Facilities (H.72**) will be among the first priorities for legislators this session after some pre-session testimony on these issues, though this legislation will inevitably be vetoed.

Budget and Tax Battles

Budget shortfalls will make all of this more challenging. The entire budget is looking at a 1.5% inflationary increase as one-time federal dollars dry up.

- The governor will try to hold the line at a 3% budget increase.
- Meanwhile, the education fund is looking at a gap of almost three-quarters of a billion dollars that could result in an **18.5% spike in the property tax rate,** as forecast early in December.
- This comes at a time when there is considerable angst about how our unique system of statewide education funding is implementing per-pupil weighting changes, and school capital construction costs have snowballed to nearly $6 billion.
- **Flood recovery** will add some stress to the budget while **climate resiliency** will be high on the agenda and integrated into most conversations, given the two catastrophic flooding events the state faced this year.

House Plans to Move on "Overdose Prevention Center" in Early Days

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Statutory language to enable two **facilities for the consumption of illegal narcotics (H.72)** is among the first priorities for House legislators this session after some pre-session testimony on these issues, though this legislation will inevitably be vetoed.

- Such a facility could go by many names, such as Safe Injection Facility, Safe Consumption Site, and now "Overdose Prevention Clinic."
- The two locations will likely be Bennington and Burlington.
- No matter what it is called, the essential functions are the same: the facility provides a safe place where an individual suffering from substance misuse can go to receive clean drug paraphernalia, test their narcotics, and then consume them in a supervised setting.

There is great enthusiasm for this harm reduction measure in leadership. However, it is unclear what rank-and-file members think about it.

What are your thoughts? Reach out to us for more information!

Housing Bill Takes Center Stage

The Senate Committee on Economic Development, Housing, and General Affairs will vote on the housing bill in early February with Act 250 reform the center of the bill and seeking to drive compact settlements, protect green spaces, and reduce the ability to abuse the system to stop needed development. *You will want to watch out for the potential logistical log jam, as the housing bill and renewable energy standard will both begin in the Senate and*

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need to be processed for passage by the House Committee on Energy and the Environment.

Following the HOME Act, there are four studies legislators can draw on to build this year's housing bill and reform Act 250, which might already have the name Bringing Everyone HOME, or BEHOME Act.

First, NRB Necessary Updates to Act 250 Report. This report was undertaken by the Natural Resource Board (NRB) to modernize Act 250. The report recommended, primarily:

- **Jurisdiction**: Adopt a location-based jurisdiction model, emphasizing a three-tiered approach to encourage development in compact settlement areas while safeguarding natural resource areas.
- **Governance**: Create a professionalized Natural Resources Board (NRB) with a full-time chair and two to four paid part-time members possessing expertise in land-use law, development, and planning. The new board would be expected to play an active role in policy development, rule making, and operational oversight.
- **Capability and Development Plan:** Update the Capability and Development Plan by replacing outdated maps with a future land-use mapping process developed by municipalities, Regional Planning Commissions, and state agencies.

Second, there is **Future Land Use (FLU) planning.** The work of the NRB will likely lean heavily on the work the planners were required to do in a report focused on integrating municipal, regional, and state plans in a way that better potentially aligns policies and ensuring consistency in land-use planning.

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Third, there was an overview of the **Designation Programs.** An initial proposal would shift from five designations to one core designation with two add-on options:

- *Core Designations* that are vibrant, mixed-use centers serving as community hubs.
- *Neighborhood Areas* that are compact, walkable residential areas connected to cores.
- *Development Ready* places that are well suited for growth within cores or neighborhood areas.

Finally, at the urging of Burlington Mayor Miro Weinberger, there was a study on **Municipal Delegation.** This study could be moot if the findings of the other three are accepted and removed from Act 250 jurisdiction (the very municipalities that would seek to have that authority delegated to them).

You can see how these four studies could weave together seamlessly in a perfect world…

Public Safety Legislation: Court Backlog, Conditions of Release, Retail Theft

Both the House and Senate Judiciary Committees expressed a strong desire to confront issues of public safety that are plaguing Vermont. Three main areas of assistance have been highlighted within the first week:

- Remedying the court backlog,

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- Stiffening consequences for violating conditions of release as well as revisiting bail reform, and
- Changes in penalties for retail theft.

Let's go a little deeper on each.

Court Backlog. The pandemic forced the courts to shut down for some time, and this is still affecting the courts now, with some cases taking years to prosecute.

- It's widely agreed that the immediacy and certainty of consequences are linked to deterrence, so the longer it takes for a perpetrator to face the consequences, the less deterrence.
- The legislature has directed federal dollars to help the courts since the pandemic. However, this year, they intend to do more.

All of this doesn't matter, though, if legislators don't do something to stop ...

Bail and Violations of Conditions of Release (VCR). When a person is let go before their trial, they are given conditions of release.

- These can include not committing another crime, not engaging with their victim, not revisiting the scene of the crime, etc.
- Legislators have seen and heard from constituents about countless cases in which people will continue to violate their conditions by doing just these things.
- Stiffening the consequences of VCR is likely going to be a portion of the debate this year.
- Broadly, bail ensures appearance at court, and conditions of release are meant to ensure public safety before appearance.

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- The Vermont legislature has tinkered with bail, most notably in 2018, and some legislators want to revisit some of those changes.

The House Judiciary Committee this week and next will be taking testimony on a new bill to address:

Retail Theft. Legislators have come around on retail theft this session, and the new year brought a new bill sponsored by the Chair of the House Judiciary. The bill seeks to:

- permit the aggregate value of stolen property to be used to determine the criminal penalty for retail theft when it is committed by a person acting in concert with another person,
- increase the penalty for retail theft if a person commits more than one violation within a 14-day period and the aggregate retail value of the merchandise taken away exceeds $900, and
- decrease the felony penalty 4 for retail theft when the value of the stolen property exceeds $900.

Elsewhere in the State House

Hundreds of hours of committee discussion take place each week, and not everything can make it into the featured sections of our update. For our most involved readers, we often mention here what was left on the cutting-room floor.

- Read VLCT's 2023 Legislative Wrap-up.

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- **The veto override** muscles were tested right out of the gate, with the House successfully overriding the veto of the **bottle bill** and foreshadowing showdowns such as H.72, the budget, and tax proposals.
- The House Committee on Commerce and Economic Development is going to pick up their work on the **privacy bill** again after a considerable amount of off-season work.
- For those keeping track, we're about 14 days away from a partial federal government shutdown, and the U.S. Congress is stalled on issues including government funding, the U.S.-Mexico border, Ukraine aid, and Israel aid. The fate of Ukraine depends on resolving the border crisis, and the Biden administration may act independently.
- **New and old tax proposals** will take considerable time this year. New this year is a 3% tax on individuals making over $500,000 in one year. Expect to see some of the perennial proposals, such as the **cloud tax.**
- The longtime political football of **paid family and medical leave** has been tossed back and forth between the legislature and the governor for nearly seven years. However, the governor is moving ahead with a third-party contracted version of a program, and the House leadership is still telling their base they're moving with their version. How does the game go when there are two footballs on the field?
- The Senate Natural Resources Committee will be moving fast on a bill to configure our **Renewable Energy Standard (RES)** to require 100% renewable energy by 2050; however, if done correctly, this shouldn't raise rates by much.
- A proposal to create **Baby Bonds** might be a rare area of easy agreement for legislators after being proposed by the Treasurer ahead of the session.

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Contact Us

We always want to hear your ideas, feedback, and concerns. You can reach us at advocacy@vlct.org.

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