

# **WLR May 10: Bills to Watch and More About the Final Hours of This Biennium**



We're in the final 12-24 hours of the legislative session, barring any catastrophe in negotiations, and this update will be short because everything, including the exact time of adjournment, is very fluid right now.

**Read more about what happened this week below**, and be sure not to miss

- [Bills to Watch in the Final Days of the 2023-2024 Biennium](#)
- Ted Brady's latest [Testimony Impacting Vermont's Open Meeting Law](#)
- Ted Brady's [Testimony to the House Ways and Means Committee Regarding Local Option Tax](#)
- [How you can contribute to VLCT's 2025/26 Municipal Policy](#)

*Some of the content of the Weekly Legislative Report below is provided by our advocacy partners. For additional detail and more commentary from VLCT Advocacy staff, visit the [Legislative Reports](#) webpage to access our topical Advocacy Updates.*

### **The Final Hours of This Session**

We're in the final 12-24 hours of the legislative session, barring any catastrophe in negotiations, so this update will be quick because everything, including the exact time of adjournment, is very fluid right now.

When the Legislature adjourns, it will not be a "goodbye" but a "see you later," as they will inevitably return for a veto session on June 17.

- The Governor is expected to **veto at least seven bills** sent to him. These include H.72 (Safe Injection Sites), H.887 (the property tax and education funding bill), S.213 (river corridor and floodplain regulation), S.289 (the Renewable Energy Standard bill), and S.259 (Climate Superfund Cost



Recovery Program Fund).

- The Governor signaled that the budget will not be on this veto list.

The pressure is on as they head into election season, with about 25+ members of the Legislature expected to step down and not seek re-election.

## Quick Check-In on Last Week's Major Topics

While adjournment is planned for Friday, May 10th, there is a great deal of ground that needs to be made up for that to happen. Here are some of the obstacles to adjournment and the positions staked out by all the parties.

## The Budget

- There is an agreement between the House and Senate, and Governor Scott signaled that he could sign this version of the budget, which comes in at roughly \$21 million in more spending than he had proposed.
- The budget also allocated some surplus to help buy down property tax rates and make the yield bill slightly easier.
- [H.883 Committee of Conference Highlights](#)

## The Yield Bill



The table below is a good recap. The House had the luxury of time; however, the Senate had the luxury of a completed budget with a General Fund surplus that was directed to the Education fund to buy down the tax rates.

	<b>House Version</b>	<b>Senate Version</b>
<b>Average Property Tax Rates</b>	Non-homestead = 18% Homestead = 15%	Non-homestead = 12.5% Homestead = 12.5%
<b>Short-term rental surcharge</b>	1.5% - \$6.5 million	3% - \$13 million
<b>Cloud Tax</b>	All	Limited to SaaS only \$10M (possibly up to \$15M)
<b>Excess Spending</b>	120%	116%

- They'll iron out a deal today, and it is not worth speculating just yet where things will land.
- The Governor: The Administration wants to see the property tax increase brought down to "low single digits," however, didn't bring anything to the table except deficit spending and use of surplus funds that may be available if an updated forecast is correct. It seems likely the Governor will veto whatever comes his way.

## Housing Bill

- The House and Senate are working through the differences between their two versions, which can be found [side-by-side here](#).
- **The Senate:** [passed last week](#) its version that tries to marry the work the House sent them in H.687 with the work that was done on S.311.
- **The House:** offered about 25 instances of amendment, spanning the bill's statement of intent, to jurisdictional opinions, to interim exemptions.



You can see [their differences](#) here.

- The House also added an [increase in the Property Transfer Tax rate](#) and took out a property tax freeze for property rehabilitation or new construction in a designated downtown district, village center, neighborhood development area, or new market tax credit area for a period of three years in areas impacted by flooding in 2023.
- **The Governor:** might likely still veto the bill due to the addition of the road rule and forest fragmentation language, as well as the Property Transfer Tax language the House added this week, if it prevails.

## The Privacy Bill

- *This bill, as of now, appears to many to be dead, with an agreement between the House and Senate unattainable, however, be wary of anyone who makes this claim.*
- **The Senate:** the Committee on Economic Development, Housing, and General Affairs passed [its version of the bill](#), which was heralded by many as a major improvement.
- **The House:** Took immediate issue with the bill which contained no Private Right of Action. The House sent back S.289, the age appropriate design code bill, with language from H.121 in it that they felt would carve out most Vermont small businesses.
- **The Governor** has really not weighed in publicly on the bill. Though the prevailing thought is that he will add it to his veto list if the legislation is passed with the Private Right of Action, due to the potential impact that could have on small businesses.



## Public Safety Legislation

- The House and Senate are closing the gap on multiple public safety bills, with both sides confident they will agree to a final version before the gavel falls.
- H.534 (retail theft) is close to a final agreement in the Committee of Conference.
- S.195 (pretrial supervision and conditions of release) amendments are being considered by the Senate. While the differences seem minimal, small language changes make a world of difference in this subject area.
- S.58 ("Raise the Age" and drug offense penalties), H.645 (expanding restorative justice), and H.563 (operating or occupying a vehicle without an owner's consent) are all in similar situations. Both sides are very agreeable, but they have yet to settle on the final language.
- For the Governor, none of them may be veto targets, but Governor Scott seems poised to be unhappy with the results of most of these proposals and unlikely to be fine with funding them.

## What to Expect in the Next and Final Update of the Regular Legislative Session

### Housing and Land Use Policy

- Changes to Act 250 and Housing Programs – H.687



## **Affordability & Budgeting**

- Yield Bill – Property Tax Increase of TK% & Cloud Tax – H.887
- Budget – H.883
- Misc Tax – H.546
- "Wealth Taxes" Attempted
- Other taxes

## **Public Safety**

- Retail Theft – H.534
- Criminal Justice System Funding
- Repeat Offenses & Pre-Trial Monitoring – S.195
- Pre-Trial Diversion – H.645
- Safe Injection Facility – H.72
- Operating Without Owner's Consent – H.563
- "Raise the Age," Narcotic's Penalties, & – S.58

## **Commerce and Employment**

- Privacy Bill – H.121
- VEGI
- "Captive Audiences" – S.102
- Contractor Audits – S.9
- Contracting Guidelines – S.96
- Requiring Cash
- Pay Disclosure in Job Listings – H.704
- UI Changes, Medical Leave, VEGI, & Baby Bonds – H.55
- Constitutional Amendment on the Right to Organize



- Paid Family and Medical Leave

## **Environment**

- Climate Superfund Cost Recovery Program Fund – S.259
- Renewable Energy Standard Changes – S.289
- PFAS and Lead Regulation – S.25
- Flood and River Corridors – S.213

## **Elsewhere In The State House**

Hundreds of hours of committee discussion each week culminate in our advocacy update, so not everything makes it into the overall update; however, we often cover what is left on the cutting-room floor here for our most dedicated readers.

- Read updates from [Week 1](#), [Week 2](#), [Week 3](#), [Week 4](#), [Week 5](#), [Week 6](#), [Week 7](#), [Week 8](#), [Week 9](#), [Week 10](#), [Week 11](#), [Week 12](#), [Week 13](#), [Week 14](#), [Week 15](#), [Week 16](#), [Week 17](#), and the [last session's recap](#).
- On Monday, Governor Scott appointed Abbey Duke, a Democrat, to fill the legislative seat vacated by now Mayor Emma Mulvaney-Stanak. Duke is the founder and CEO of Sugarsnap, a cherished local catering company.
- The Vermont Public Utility Commission (PUC) determined, in a ruling issued late last week, that the earliest date the Clean Heat Fee created under the Clean Heat Standard could be implemented would be January 1, 2026. As the PUC has confirmed, they will not apply a fee



retroactively, so there will be no Clean Heat Fee in 2025.

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