WLR January 13: New Biennium, New Committee Chairs, New Priorities

Copyright Vermont League of Cities and Towns
Current as of: 11/4/2026

On January 8, Vermont lawmakers, statewide elected officials, advocates, lobbyists, and legislative and State House staff all returned to Montpelier to kick off the 2025 legislative session. The opening days of any new biennium are equal parts ceremonial and clerical. The 2025-2026 biennium is marked by a substantially changed partisan makeup in the State House and a significant incoming class of first-time lawmakers. This week, the walls under the golden dome were ringing with the same rush of excitement, reunion, and gossip as in years past – but so far, the general post-election vibe among elected officials seems to be "slow and steady will win the race".

The week ahead will be full of orientations, briefings, and introductions while new chairs take control of their committees. It may be some time before the year's major bills take shape. **In this issue of the 2025 Weekly Legislative Report, we recap the major moments from opening week, including the election and appointment of legislative leaders and Governor Scott's inaugural address, and we summarize key proposals related to everyone's top priority – lowering property taxes.**

Tripartisan Support Implied in Reelection of Speaker Krowinski

On Wednesday morning while the House of Representatives met for the opening floor session and swearing in, a general hullaballoo ensued in the rest of the State House – until a hush fell over the chattering class when Secretary of State Copeland-Hanzas began to read the results of the election for Speaker of the House. Incumbent Speaker Jill Krowinski prevailed easily with 111 votes to challenger Laura Sibilia's 35 votes. Votes were cast by secret ballot.

Copyright Vermont League of Cities and Towns
Current as of: 11/4/2026

In the November general election, Vermont Republicans gained 18 House seats, bringing their caucus up to 55 members. Given Krowinski's more than two-thirds majority of support among the 150-member chamber, it is likely that some Progressives, Independents, and fusion Democrats backed her speakership, and she certainly earned the votes of several Republicans.

Speaker Krowinski reinforced a message of cross-partisan collaboration in her remarks, saying, "We must show up not only as individuals, not as political parties, but as Vermonters united to do the work entrusted to us by our neighbors." The Speaker pledged better communications within the chamber and to Vermonters this session, and she identified affordability, education funding reforms, new home construction, and climate action as top priorities.

Following the election, the former opponents in the Speaker's race shared a hug on the House floor, and for her part, Representative Sibilia will serve as the ranking member on the newly formed Energy and Digital Infrastructure Committee.

In other news, Republican Senator Randy Brock withdrew his bid for Pro Tempore, and Senator Phil Baruth was unanimously elected to lead the Senate for another term.

Musical Chairs: Who Got Which Committee Seats?

Only five former chairs of the Senate's 11 standing committees returned to the State House this year. Pro Tem Baruth probably said it best when he

Copyright Vermont League of Cities and Towns
Current as of: 11/4/2026

described the “astonishing evolution” within the Senate Vermont Public last week(opens in a new tab),(opens in a new tab) saying, “Nearly two-thirds of the body is brand spanking new”. Over the last two elections, the average tenure of serving senators, and their average age, have fallen dramatically. Given the increasing ranks of both newbies and Republicans within the chamber, we expected a serious a shake-up among committee leadership this session.

Senate Committee Chair Assignments

Here is how it all sugared off in the Senate: Incumbent leaders Lyons and Cummings return to chair Health and Welfare and Finance, respectively, each with experienced Democratic allies as Vice Chairs.

Other Democratic senators will be taking new chairships: Andrew Perchlik on Appropriations; Alison Clarkson on Economic Development, Housing, and General Affairs (Econ); Wendy Harrison on Institutions; Nader Hashim on Judiciary; and Anne Watson on Natural Resources and Energy. Freshman Senator and former Representative Seth Bongartz will take over the Education Committee with Republican David Weeks as Vice Chair.

The number of Republican committee chairs has gone from one to three, with Brian Collamore taking over Government Operations, Richard Westman on Transportation, and Russ Ingalls on Agriculture. Notably, the senate’s powerful money committees will each seat four Democrats and three Republicans.

Also notable is that two leading Democrats will not be returning to a committee helm. Senator Kesha Ram Hinsdale at first made a pre-session bid

Copyright Vermont League of Cities and Towns
Current as of: 11/4/2026

for both Senate Majority Leader and Chair of Senate Econ. Having won the party role, she is handing over the committee to Clarkson. Senator Ruth Hardy will not return as Chair of the Government Operations Committee and has been appointed as a member of the Finance and Natural Resources and Energy committees.

House Committee Chair Assignments

On the House side: Long(ish) serving Representatives Matt Birong and Robin Scheu are stepping up following two surprise election losses for Democrats: Birong will Chair House Government Operations and Scheu will Chair House Appropriations. Representative Alyssa Black, champion of several recent gun safety laws, takes on a new leadership position as Chair of the Health Care Committee. Amid hot debate on how best to tackle Vermont's housing shortage, the longtime leader of the Committee on General Affairs and Housing, Tom Stevens, has been replaced by fellow Democrat Marc Mihaly. Stevens will take Mihaly's seat on the powerful Appropriations Committee.

The House committee formerly known as Energy and Environment (or E&E for short) has been split in two. Incumbent Chair Amy Sheldon will take jurisdiction of land use law on the new Environment Committee, and Kathleen James will chair the new Energy and Digital Infrastructure Committee. Incumbent Republican Chair Michael Marcotte returns to Commerce and Economic Development; however, he is no longer alone. House Republicans picked up a second chair's seat with Matt Walker on Transportation.

Governor's Call to "FIX" Not "FUND"

Copyright Vermont League of Cities and Towns
Current as of: 11/4/2026

Day two of every new biennium always has one main event – the first joint assembly of the House and Senate for the Governor's Inaugural Address.

For Governor Phil Scott's fifth inaugural address(opens in a new tab), much of what we heard we have heard before, but this time with a little more punch following a good election year for Vermont Republicans. The governor articulated our ever-growing demographic crisis and the anguish felt by many Vermonters (particularly rural Vermonters) who are facing flat wages, rising rent and property taxes, and accelerating health care costs. He bashed the state's overly complex school funding formulas and "astounding" $2.3 billion price tag. He once again outlined his administration's top priorities: affordability, housing, and public safety. He ostensibly added a fourth priority for this session: prioritizing.

Governor Scott said, "we need more taxpayers, not more taxes," rejecting the ambitious public programs and regulatory appetite of the last biennium, and saying "Vermonters asked us, very clearly, to separate our wants from our needs and to FIX – not just FUND – issues that have a major impact on their lives."

He implored lawmakers to keep focused on affordability and to ignore all the rest. Seemingly, his approach to this term and the new biennium will be to cut regulations and cap spending wherever possible. We will eagerly await any more specific proposals from the governor's office on items he only hinted at such as "a creative expansion of our successful Tax Increment Finance (TIF) program" and a new "student centered" school funding formula.

Point of Agreement: Lower Property Taxes

Copyright Vermont League of Cities and Towns
Current as of: 11/4/2026

It seems everyone got the memo: find ways to lower property taxes! Every administration official, legislator, and lobbyist agrees this is a top priority. Most are focused on reducing statewide education property tax growth and the painful reforms to our education system that come with controlling cost. However, municipal budgets(opens in a new tab) are feeling the property tax pinch as well, and local leaders need the legislature to support them in reducing property taxes.

This year's VLCT Legislative Priorities(opens in a new tab) highlight several actionable items to immediately lower local property tax bills – which our members know accounts for about 20-30% of homeowners' overall tax burden.

Some specific VLCT proposals to lower property taxes include legislative action to:

- Hold municipalities harmless for uncollected state property taxes.
- Reimburse municipalities for state mandated tax exemptions.
- Ensure no property owner pays less than $0 in state property taxes.
- Base implementation of environmental mitigation efforts on a cost-effectiveness analysis, including those related to the Clean Water Act (like the 3 Acre Rule) and the regulation of contaminated urban soils

Copyright Vermont League of Cities and Towns
Current as of: 11/4/2026

(also known as Dirty Dirt).

- Afford municipalities relief from compliance deadlines and impact fees when corresponding state funding is delayed, eliminated, or made competitive.

- Adopt for municipalities the monetary damages cap the legislature has already enacted for the State in order to stabilize insurance costs and protect general funds from the risk of significant settlement awards.

Support for Local Options Taxes and PILOT Fund Changes

One big ticket item that is already gaining traction is our two-pronged proposal: first, to modernize the state withholding formula for Local Options Taxes (LOT), and second, to return the growing special Payment in Lieu of Taxes (PILOT) fund surplus to the municipalities that raised it.

Currently, the state holds back **30% of LOT revenue plus a fee of $5.96 per return**(opens in a new tab) and puts that money in a special fund for PILOT payments. Those PILOT payments, in turn, go to cities and towns that host state-owned buildings and land. Revenues generated from LOTs in **34 different municipalities**(opens in a new tab) have built up a more than $10 million cash surplus in state coffers. That surplus is accrued from an FY23 year-end balance of about $7 million plus about $3.3 million in surplus just from FY24.

Copyright Vermont League of Cities and Towns
Current as of: 11/4/2026

Last year, **VLCT successfully lobbied**(opens in a new tab) for a change in state law to allow municipalities to adopt new LOTs without a charter change, so we expect that surplus to continue to grow unless lawmakers act now.

For the many municipalities that have already adopted one or more LOTs, VLCT's proposal (if enacted) would provide a windfall of one-time funds in this fiscal year to address current budget pressures. For any municipalities that adopt new LOTs in the future, this would mean that more non-property tax revenue stays in their local budget to support local priorities.

What We're Reading

Every December and January, the legislature receives a flood of reports from state agencies; the Joint Fiscal Office; Legislative Council; and a number of standing committees, special legislative taskforces, and working groups. These reports provide the factual and fiscal foundation for much of the upcoming policy debate and many recommendations for new legislative action. Here are a few key reports that are hot off the press:

- **Final Report Pursuant to Act 68 of 2023: Statewide Reappraisals and Property Data**(opens in a new tab)

- **Preliminary Findings of the Commission on the Future of Public Education in Vermont**(opens in a new tab) and the "**working document** (opens in a new tab)" for initial policy exploration

Copyright Vermont League of Cities and Towns
Current as of: 11/4/2026

- **Act 106 Working Group Report: Tax Sale and Tax Abatement**(opens in a new tab)

- **December 31 Housing Report in Accordance with Act 113**(opens in a new tab) (re: GA/Motel Program)

We are still waiting for new reports on outdoor cannabis cultivation, LOT revenue and the PILOT fund surplus, and a ban on firearms in municipal buildings – so stay tuned! You can find all legislative reports online here (opens in a new tab).

Stay Involved

We have just about 160 days of work ahead in this session and **the most important key to our success is your input and participation** in VLCT's advocacy work. Don't forget to register to attend our **bi-weekly Advocacy Chats**(opens in a new tab)**,** which will be held via Zoom every other Monday at 1 PM starting on January 27.

- You can find (and share) this legislative report and future reports and alerts on our main Advocacy webpage(opens in a new tab).

- To support VLCT's advocacy work; participate in policy development, testimony, and legislative actions; or just learn more, reach out to Josh

Copyright Vermont League of Cities and Towns
Current as of: 11/4/2026

and Samantha by email at jhanford@vlct.org(opens in a new tab) and ssheehan@vlct.org(opens in a new tab).

Publication Date

01/13/2025

Copyright Vermont League of Cities and Towns
Current as of: 11/4/2026