TOWN MEETING REPORT

Representative Thomas Bock



"Nothing about the 2021-2022 session has been business as usual. It began as no other like it, in total virtual mode with legislators "zooming in" from 150 locales across Vermont.

Despite these challenges, we are making progress on critical goals. Our focus continues to be on rebuilding our communities as we deal with the impacts of COVID-19. As always, feel free to email me for more information on these and other issues. Your feedback is critical to our work.

- Tom

House Passes \$79M Relief Bill

The House gave approval to an additional pandemic relief bill. H315 relies on both one-time state money and about \$13 million left over from the Federal Cares Act. The package will provide funds to Vermonters ASAP and allow us to break ground on critically needed projects. Highlights include:

- Small businesses that received no prior federal assistance.
- Support for Vermonters struggling with mental health issues.
- Stimulus checks for the poorest Vermonters.
- VT Farmers to Families Food Box program funding.
- Improving the indoor air quality of schools.
- New housing creation for the homeless.

Pensions: Bridging the Unfunded GAP

State pensions are grabbing lots of headlines recently. Vermont oversees the pension management for three groups: state employees; teachers in pre-K to 12 schools; and municipal workers.

The upkeep and viability of these funds is a vital oversight concern for the Legislature. In a <u>January report</u>, Treasurer Beth Pearce recommended changes that would significantly reduce the \$4.5 billion unfunded pension.

For example, she suggested increasing employee contributions or reducing cost-of-living adjustments for future retirees, would be a start.

The Speaker has committed to bringing together all stakeholders to craft an equitable solution. The process of determining the best course of action will be time-consuming and laborious. Stay tuned.

School Budgets & Yield Bill

Every year the legislature sets the education property tax rate in the "Yield Bill." This is a complicated formula based on the sum of school district budgets, the number of equalized pupils, and the balance needed in the Education Fund.

Fortunately, thanks to significant federal spending and direct federal payments to individuals, we saw increased consumer spending statewide that led to revenues in the Education Fund above and beyond our expectations. Additionally, proposed spending from school districts points to a lower increase in school budgets than anticipated.

If this trend continues, the average education spending increase will be less than 1 percent. This is the latest signal that our education property tax rates are likely to be substantially lower than were predicted in December.

Protecting Small Businesses

Over the past year, a number of federal and state grants and forgivable loans have helped to ensure the survival of many small businesses, particularly, the hospitality and tourism industries. However, some businesses (such as those started or purchased in 2020 or late 2019) have not qualified for nor been able to access this assistance due to program criteria. The legislature is working with the Governor's administration to create a \$10 million "gap" grant program to help businesses that have received minimal to no assistance.

Revitalizing Downtowns

The legislature is working with the Governor to devote \$5 million to create the Better Places

Program that would provide grants up to \$20,000 aimed at improving the vitality of downtowns, with a focus on projects that can make an immediate impact to public spaces such as area beautification, bike baths, use of vacant property and storefronts, enhancing farmers' markets or community gardens, and projects to support downtown performing arts.

A further budget request to add \$5 million to the <u>Downtown Transportation Fund</u> will support many larger infrastructure projects in downtown centers, including streetscape improvements, street lighting, parking and signage upgrades, and pedestrian and bicycle safety.

Vermont State Colleges: A Critical Crossroads

The Select Committee on the Future of Public

Higher Education was created last year to address "the urgent needs" of the Vermont State Colleges. The committee delivered its second report to the legislature urging the legislature to "act with urgency" in providing sufficient funding to keep the state colleges stable while VSC commits to a far-reaching restructuring plan.

Recommendations include maintaining the Community College of Vermont as a separate entity focused on sub-baccalaureate and workforce-relevant training (especially for adults); combining Vermont Tech, Castleton and Northern Vermont University under a single accreditation; and an "aggressive coordination" of administrative services.

GOOD TO KNOW....

- ✓ Thanks to a bill passed last year, **Vermont's minimum wage** increased from \$10.96 to \$11.74 on January 1st and will again increase to \$12.55 in 2022.
- ✓ **Proposition 5** is the proposed amendment to the Vermont Constitution that guarantees the right to reproductive liberty. After passing in 2019, it must pass again this year before going to the voters in 2022.
- ✓ An **updated bottle bill** will increase the deposit from \$.05 to \$.10, the first increase in 50 years, and will include additional types of containers.
- ✓ The legislature will be providing increased support for accelerated weatherization programs. Weatherizing a home often pays for investment in less than five years.
- ✓ The legislature is considering one-time investments to **upgrade information technology infrastructure** such as replacing the mainframe at the Department of Motor Vehicles, addressing severe technology constraints at the Department of Labor's unemployment program, and critical cybersecurity upgrades.
- ✓ Vermont Agriculture & Food System Strategic Plan 2021-2030 is available online as a resource for policy makers, stakeholders, selectboards, planning commissions, and town libraries.

Solutions for Healthcare Workforce Crisis

Demand for healthcare and long-term care services are increasing with Vermont's aging population. It is estimated that roughly 5,000 nursing-related positions were needed prior to the pandemic, a deficit that's likely to increase. Solutions in place to address this problem include scholarships and loan forgiveness for healthcare providers, tax incentives to retain newly graduated nurses, and modifying professional requirements. The Health Care Committee is exploring how to extend and expand the Vermont Workforce Loan Program, which has awarded 69 scholarships to students in LPN/RN programs, since its inception.

This just in . . .

Biden's \$1.9 trillion economic relief package will provide \$1.25 billion for Vermont's state and local governments, \$400M more than originally proposed. Thank you to Senator Patrick Leahy, chair of the U.S. Senate Appropriations Committee, and Senator Bernie Sanders, chair of the U.S. Senate Budget Committee for increasing the allocation to smaller states like Vermont.