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Reps. Kathleen James and Seth Bongartz will hold an online end-ofsession constituent meeting from

9 to 10:30 a.m. on Saturday, June 19. Together, we represent the twoseat Bennington-4 district: All residents of Arlington, Manchester, Sandgate and Sunderland are welcome! To join us on Zoom, email for the link: KJames@leg.state.vt.us We look forward to discussing our work and answering your questions.

We're also working on a few summer and fall events focused on key issues facing our region. Watch the local papers and our Facebook pages for details!

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@ Kathleen James VT State Representative @ Seth Bongartz for VT State Representative



On May 21, the legislature wrapped up a truly historic session.

Because we met remotely for the full five months, the public had virtual access to all committee meetings—where the real work takes place and every floor session. Thanks to YouTube, the "People's House" was open and available to an unprecedented degree. (To watch any and all of these livestream videos, go to legislature.vermont.gov.)

When we ran for election together last year, we identified four policy priorities that had reached the point of crisis. With the help of \$1.2 billion in federal stimulus dollars and careful strategic collaboration, the legislature made substantial progress on all four in 2021, helping to lay the groundwork for a successful 21st century Vermont.



Pandemic Recovery

To get relief to Vermonters quickly, in early April the legislature passed H.315 (Act 9), a \$97.5 million bill that invested federal funds to jumpstart the state's recovery.

This bill created \$10.5 million in Economic Recovery Bridge Grants, targeting new and small businesses not eligible for assistance initially. This was later boosted to \$30 million in the FY22 budget.

H.315 also allocated \$500,000 to the EMBRACE Grants for Micro Business program, providing up to \$5,000 to low and moderate-income Vermonters with businesses under five employees and less than \$25,000 in annual revenue.

\$8.2 million was approved for the Vermont State Colleges, UVM and VSAC to provide up to two free classes to adult Vermonters looking to learn job skills or change careers, to all 2020 and 2021 high-school grads, and to train more LPNs.

H.315 also includes money for afterschool and summer programs (\$4m), school indoor air quality (\$15m), broadband (\$4.8m), outdoor recreation and trails (\$10m), and the Working Lands program (\$3m) that supports entrepreneurs in the agriculture and forest industries.

COVID RELIEF: We pumped almost **\$160 million** into our economy, workforce and communities.

BROADBAND: With Communications Union Districts (CUDs) working hard across the state to advance rural broadband buildout, we were able to allocate **\$150 million** to bring that planning to life, with the goal of expanding high-speed fiber to the last mile.

CHILDCARE: We passed landmark legislation that, in addition to **\$12.5 million in immediate help**, establishes a goal that no Vermont family should pay more than 10 percent of their income for childcare.

HOUSING: We allocated **\$190 million** to expand affordable housing for low-income Vermonters, provide emergency rental assistance to tenants and landlords, to house homeless Vermonters, and more.

Additionally, we allocated \$54 million for climate action and \$120 million for clean water projects and infrastructure.

Together with our colleagues, we made high-impact, once-in-a-lifetime investments to accelerate recovery in all 14 counties and build toward a vibrant future. To learn more about the FY22 budget, how the legislature has allocated close to \$600 million in federal American Rescue Plan Act (ARPA) funds, property tax rates, and the many transformational bills we passed this year, see the following pages. >>>

Kath serves on the <u>House Education Committee</u>, and last summer was appointed to the <u>Select Committee on the Future of Public Higher Education in Vermont</u>, a statewide panel tasked with developing an action plan to transform the Vermont State Colleges. She also serves on the New England Board of Higher Education.

Seth serves on the <u>House Natural Resources Committee</u>, where he can build on his experience in practicing law in the regulatory arena and 18-year role as president of Hildene. He's also on the <u>Legislative Committee on Administrative Rules (LCAR)</u>, which provides oversight as state agencies develop detailed rules to implement statutes.

As a collaborative team, we also engage in the issue-oriented, cross-party work of the <u>Climate Solutions Caucus</u> (Kath serves on the leadership team), the <u>Tourism Caucus</u>, the <u>Rural Economic</u> <u>Development Working Group</u>, and the <u>Social Equity Caucus</u>.

At our legislative pages, you can see every bill we've sponsored and our voting records. Click <u>here for Kath</u> and <u>here for Seth</u> or to go legislature.vermont.gov.

Kath: 802.733.1435

Seth: 802.362.1488



Education Finance

In 2019, a team of UVM-led researchers delivered an extensive report on Vermont's "weights," the numeric factors used to account for the varying costs of educating categories of students – for example, English language learners or children from economically deprived backgrounds.

Signed by Gov. Scott on June 7, S.13 establishes a task force that will work over the summer to develop an implementation plan, a roadmap the legislature will use next session in considering how to integrate the new weights into our complex education funding formula. It's an important job, as the weights have a profound impact on how we calculate equalized pupils, which in turn impacts taxing capacity from district to district.

The report, due in December 2021, will also consider the excess spending threshold – temporarily suspended under this bill – plus how we calculate poverty for the purposes of school finance, and other factors intertwined with our unique school funding system.

In June, House Speaker Jill Krowinski appointed Kath to serve on the S.13 task force.

Education Committee: Rep. James

As we seek to move all Vermont students forward into pandemic recovery and learning re-engagement, the House Education Committee worked on several key bills this session, all of which were signed into law.

A Step Forward on School Buildings

Built decades ago, it's no surprise many of Vermont's school buildings are aging and in urgent need of repair. H.426 uses federal relief money to make sure that our school buildings are well-maintained, energy-efficient, safe and healthy places that meet the needs of 21st century education and technology. The work begins with an update of the school facility standards and a statewide conditions inventory and assessment for all school buildings. The bill also establishes a renewable and efficiency heating systems grant program administered by Efficiency Vermont and implements a requirement that all public and independent schools perform radon tests by June 2023. Gov. Scott signed H.26 on June 8.

Improving Literacy and Addressing Learning Loss

Learning to read is critical to success in school and beyond. S.114 (Act 28) harnesses \$3 million in federal stimulus funds to improve reading proficiency among all Vermont students, and especially those in grades preK through 3. To achieve this important goal, the Agency of Education will provide professional development learning modules for teachers in key areas of literacy instruction, and help supervisory unions to implement evidence-based literacy strategies that address learning loss due to the COVID-19 pandemic.

Community Schools Pilot Program (Kath: Lead Sponsor)

H.106 invests \$3.3 million in federal ARPA funds in a demonstration grant program to allow eligible districts to explore the innovative "community schools" model. Also known as full-service schools, community schools help kids and families access vital services such as health care, mental health counseling, or help with food or housing, often right in the building. They are resource hubs that provide a range of accessible, well-coordinated, and culturally inclusive supports and services. Gaining traction across the country, community schools tackle the challenging and complex out-of-school barriers, like poverty and hunger, that hold so many of our students back. They help close the achievement gap for low-income students, special education students, BIPOC students and English language learners, and improve outcomes ranging from attendance and academic performance to graduation rates. The bill also kick-starts a grant program to help schools buy more local food, and creates a task force with the goal of achieving universal school lunches by the 2026-2027 school year. Signed by Gov. Scott: June 8.

End of Session Report



Good news on property taxes and healthcare premiums

Vermont's education spending is decided at the local level and then costs are equalized throughout the state via a complex formula designed to achieve equity of opportunity and taxation. Due to unprecedented federal spending and strong sales tax revenues, we were able to keep property tax rates level while continuing to invest in schools.

- FY22 average homestead property tax rate: \$1.523
- + FY22 uniform non-homestead property tax rate: \$1.612
- FY22 average tax rate on household income: 2.5%

Vermonters buying on the individual market should now pay no more than 8.5 percent of their income on health insurance. Businesses with less than 100 employees, and individuals purchasing health insurance outside of their workplaces, can save money as a result of increased federal funding for healthcare premium support, and a change in Vermont's health insurance structure contained within S.88 (Act 25). Many small businesses, nonprofits and municipalities will see reduced premiums. Individual increases will be offset by new federal subsidies and tax credits.

Natural Resources Committee: Rep. Bongartz

The Natural Resources, Fish & Wildlife Committee considers matters relating to conservation and development of the state's water resources; conservation and development of lands; land resources and use; fish and wildlife; natural habitats; air quality, environmental permitting; climate change; scenery; and solid waste and toxic substances. Because of his deep background and knowledge about land use policy, Seth was able to play an influential role from the start.

Vermont's Water Quality Standards

H.108 (Act 32) passed overwhelmingly in both bodies of the General Assembly. This bill puts in place evaluation tools that the state needs to assess large projects that require federal licensing or permits, such as proposed oil or gas pipeline projects. The bill also clarifies the long-time interpretation and practice that Vermont's water quality standards apply to all of our surface waters: rivers, streams, lakes, ponds and wetlands.

Old Growth Forests

Old growth forests are particularly rich in biodiversity because they are more complex, and this complexity grows over long periods of time. They provide unique habitats during a time when habitat loss is the biggest driver of diminishing animal and plant populations. Old forests are one of the most cost-effective ways of removing carbon from the atmosphere and storing it. The related issue of forest fragmentation occurs when forests are split up by roads and developments, and animals that require large areas to roam can be severely impacted. With committee members, Seth is working on a bill to encourage and protect old forests through an expansion of the Use Value program.

Updating Vermont's Bottle Bill

An update to Vermont's 50-year-old bottle bill passed the House this session and will be taken up by the Senate next year. H.175 will expand the containers subject to deposits to include water bottles, wine bottles, hard cider and tea containers, and others. It will increase the handling fees paid to vendors, which will encourage the opening of more redemption centers. Containers recycled via the deposit system are cleaner and more valuable than if they go through the mixed recycling stream, so more of them will be made into new containers.

Seth was the committee reporter for **S. 101**, a bill providing grants to municipalities to update their zoning bylaws to include so-called "smart growth" principals to make it possible to increase housing density in and around downtowns. **He's working this summer with an ad-hoc group of legislators to improve Vermont's forest economy, and with committee members on an Act 250 update bill.**



Stabilizing Workers and Employers

The pandemic brought the most severe job loss ever experienced by Vermont's Unemployment Insurance (UI) system. Thousands of workers lost jobs or were forced to stay home and care for loved ones or children. Businesses struggled as they were required to close or scale back due to necessary restrictions. The Legislature designed S.62 (Act 51) in response. It's a package of programs and benefits to support workers post-pandemic and shore up the UI system for the future.

- * Adds a long-term supplemental benefit of \$25 per week for UI recipients when the federal \$300 bump ends in September.
- Protects businesses from being unduly burdened with large tax increases caused by COVID layoffs by removing the year 2020 from the employer calculation.
- Ensures the UI Trust Fund is replenished to \$600 million in case of another emergency.

In H.436 we clarified that Paycheck Protection Program (PPP) loans forgiven in 2021 will **not be counted as taxable income**, consistent with federal policy. Gov. Scott signed H.436 on June 8.

American Rescue Plan Act: \$1.025 billion

In spring 2020, Vermont received \$1.25 billion in federal CARES relief. These dollars provided help for Vermonters in desperate need, and for families, schools, businesses and communities in all 14 counties. The stimulus funds were also key to stabilizing critical systems in the areas of health care, human services and child care.

Spring 2021 brought Vermont \$1.052 billion in federal American Rescue Plan Act (ARPA) funds, and once again the legislature focused on leaving no one behind. This investment is apparent in the amounts of ARPA funding allocated in the FY22 state budget, a total of \$599.2 million. Included, for instance, are \$109.2 million targeted to economy, workforce and communities. \$99 million is targeted to housing and \$51 million to rental assistance. There is \$150 million for broadband investments and \$52 million for technology modernization, as well as \$50 million for climate action and \$115 million for clean water investments. The remaining ARPA dollars are available for future use as we have a better sense of ongoing or unanticipated needs. This flexibility is permitted by ARPA, as we have through FY2025 to use these funds.

See How Federal Relief Dollars Are Being Spent in Vermont

Two interactive dashboards show how the \$1.25 billion has been allocated and spent so far. Both have interactive graphics to allow the user to display different views or to filter data. Provided by the Vermont Department of Finance and Management, it is a remarkable source of information about a remarkable amount of money: https://spotlight.vermont.gov/expenditures-it-and-employees/crf-transparency.

Vermonters to Weigh in on \$600 Million in ARPA Funds

Prior to adjournment, the legislature approved the state budget for FY2022, totaling \$7.35 billion. With the help of substantial federal ARPA dollars, this budget positions the state and our community partners to effect transformational change moving forward. Recognizing the unprecedented opportunity beyond FY2022 provided by these federal funds, the state budget includes language describing a statewide, community-based engagement process to solicit from Vermonters their thoughts for investing in the future of our state. Outreach this summer and fall will include non-traditional public-input events that do not rely on public hearings or online options. Your recommendations will then be reported to the requisite legislative committees for budget and policy development beginning in January 2022. The Speaker of the House and the President Pro Tem of the Senate will lead this process. Watch our social media pages and the local papers for the chance to weigh in.



Childcare: Essential to Economic Recovery

Child care is essential to supporting Vermont's children, families, communities, and economy. **H.171 (Act 45)** takes monumental steps towards reforming our childcare system, investing in our future, and supporting the next generation of Vermont's citizens. H.171 makes childcare more affordable by expanding subsidies for low- and moderate-income Vermonters, ensures fair wages for providers, and offers scholarships and loan repayment for early childhood professionals. It also creates a study to identify future revenue sources for an ambitious goal: To ensure that no Vermonter pay more than 10 percent of annual household income for childcare.

By increasing access and affordability for Vermont's families, we help parents stay employed and contribute to their local economies. By increasing childcare worker wages, we can support and grow our workforce of early care and learning professionals. By prioritizing the well-being and development of our children, we are giving our youngest Vermonters a head start to success. There is a widespread recognition that Vermont's childcare system holds immense opportunities. H.171 delivers both the resources and commitments necessary to realize that great potential, and we are proud to be early sponsors and supporters of this bill.

Universal Access to Broadband

The COVID-19 pandemic highlighted how high-speed internet is essential to daily life. We use the internet to go to work, attend school, see a doctor, interact with the

government, and connect with our communities and the world at large. Unfortunately, the promise of modern communications has bypassed too many rural communities in the state, with 25 percent of Vermonters still lacking access to broadband.

Signed on June 8 into law, **H.360** dedicates \$150 million of federal stimulus funds to the construction of broadband infrastructure in the most underserved parts of the state. (The legislature anticipates spending a total of \$250 million for broadband over the next three years.) The bill, which directs funds primarily to our regional, citizen-driven Communication Union Districts (CUDs), includes funding for pre-construction planning and design, grants for building broadband infrastructure to unserved and underserved areas, and a new broadband workforce development program. The bill also creates the Vermont Community Broadband Board to coordinate and support Vermont's 12 CUDs with the technical, legal, and financial assistance to accelerate the deployment of universal broadband service across Vermont.



Preserving Public Pensions Systems for State Employees & Teachers

The legislature focused this session on putting the State of Vermont's public pension system on a path towards long-term sustainability, so that teachers, troopers, and all state employees can rely on a well-funded, solvent system when they retire. Legislators are balancing multiple commitments—one made to state employees and teachers—and another to Vermont taxpayers, who now face a \$5.6 billion unfunded liability that will continue to grow exponentially without action.

H.449, developed by the House Government Operations Committee, slowed down the process to engage more stakeholder voices. The legislation focused on governance changes that will amend the Vermont Pension Investment Commission (VPIC) to include more independent, financial expertise. It also established the Pension Benefits, Design & Funding Task Force to meet this summer with a "report-back" to the legislature for putting the retirement systems on a sustainable path. Through a conference committee negotiation between the House and Senate, the task force was reconfigured to equalize the state (employer) and union (employee) representation at the table. Signed into law: June 8.

The legislature has reserved \$150 million of General Fund dollars (freed up by ARPA dollars), along with the annual payment of \$316 million, for a total investment this year of \$466 million, a massive commitment for the legislature in a single year. Resolving this crisis is the fair and responsible thing to do for all concerned.

Read our issue brief on the pension crisis at this link or posted at our websites.



Transforming the Vermont State Colleges

This session, the legislature made an historic investment of \$88.9 million dollars in the Vermont State Colleges System (VSCS) and Vermont students in the FY22 state budget. The allocations include:

- * \$30.5 million in the annual state base appropriation
- * \$5 million increase to the annual state base appropriation
- * \$20 million to support VSCS system transformation over the next four years
- \$21 million in bridge funding to address the VSCS operating deficit due to COVID-19
- * \$12.4 million in student scholarships, free tuition program pilots, and workforce development.

This is on top of the investment of \$7.2 million in VSCS student scholarships in Act 9 and \$3.8 million in the budget to VSAC for the 802Opportunity program.

As the House appointee to the Select Committee on the Future of Higher Education, Kath was proud to play a role in advocating for this funding package. To read the Select Committee's final report, click here.



Increasing Access for Voters

Universal vote-by-mail was a success during the 2020 general election, contributing to record turnout even during a pandemic—a 74 percent participation rate! It expanded voter access and encouraged increased participation in our democratic process. **S.15** continues the vote-by-mail program and counters the prevailing trend across the U.S. where state legislatures are curtailing voter access with more restrictive election laws. Signed into law on June 7 and effective this coming general election in November, new features will include:

- * Ballots with postage-paid return envelopes mailed to all active registered voters.
- Voters may "cure" defective ballots if, for example, they
 forgot to sign the certificate envelope, or failed to
 return unvoted primary ballots along with the voted
 ballot of their party choice.
- Secure ballot drop boxes that are accessible 24/7 for voters to return their ballots.
- A limit on the number of ballots someone can deliver on behalf of others.

Prohibiting "Forever Chemicals"

Many Vermonters know that PFAS chemicals were found to contaminate drinking water in Bennington and North Bennington in 2016. PFAS are known as "forever chemicals" because they do not biodegrade in the environment and accumulate within our bodies over time. This exposure leads to a number of adverse health effects, including an increased risk of cancer. **S.20** (Act 36) addresses this issue by preventing these toxic

substances from entering our state. It prohibits the manufacture and sale of PFAS in four products that pose the highest risks to Vermonters' well-being, including food packaging, fire extinguisher foam and firefighting PPE, rugs and carpets, and ski wax.



Climate Action and Investments

In the FY22 budget, the legislature committed an historic \$250 million in one-time ARPA funds for climate and clean energy programs. Of this, approximately \$50 million is allocated for the coming year, including:

- * \$21 million to help Vermonters weatherize their homes
- * \$10 million for renewable energy projects, like solar and advanced wood heat, for low-income Vermonters
- + \$2 million for workforce development and to expand low-cost energy audits for homes and businesses
- More than \$6 million to help Vermonters move into more fuel-efficient vehicles

Meanwhile, we've set side \$200 million in federal ARPA dollars over the next three years to implement the Climate Action Plan. This important document is being developed by the <u>Vermont Climate Council</u>, with a draft expected in October. We've also earmarked \$225 million in ARPA funds for clean water: upgrading our drinking water, stormwater and wastewater systems; removing toxins and contaminants from our water supplies; and shoring up dam safety and other infrastructure.

In addition: This year's Transportation Bill (H.433) and FY22 budget (H.439) appropriate millions of dollars to expand EV charging infrastructure statewide, to continue fare-free public bus transportation through 2023, and to help Vermonters purchase used hybrids, plug-in hybrids, fully electric vehicles, and even electric bikes.

Prevalence of Sexual Assault in Vermont

One in five women has experienced sexual assault; one in three has experienced sexual coercion; nine percent of Vermont high school girls report having unwanted sex. Yet only 230 of 1,000 sexual assaults are reported and only five result in convictions. **H.183** revises our laws, including the impact of alcohol or drug consumption, to make clear when consent to sexual activity has not and cannot be given. Signed June 8.

Eliminating LGBTQ+ Panic Defense

2020 was the deadliest year yet for transgender and gender non-conforming Americans. This violence is so prevalent that BIPOC trans women currently have a life expectancy of just 38 years. In response to this devastating information, the legislature passed H.128 (Act 18). This bill prevents minimizing a crime in our court system because the victim is transgender. Throughout the country, there have been court cases where defendants were able to use a "trans panic defense" to have assault charges against them lessened or dismissed altogether. By passing H.128, the legislature sends a message that in Vermont every single one of us deserves equal protection under the law.

Promoting Healthcare Equity

The Department of Health's 2018 State Health Assessment reveals that not all Vermonters have a fair and just opportunity to be healthy. From access to health care, mental health and morbidity, statistics show significant disparities across the state based on race and ethnicity, sexual orientation, gender identity, and disability status. **H.210** (Act 33) creates a "Health Equity Advisory Commission," made up primarily of Vermonters whose lives have been impacted by historic inequitable treatment in accessing health care, while developing an Office of Health Equity by no later than January 1, 2023.

Economic Opportunity for BIPOC Biz

This session, the House Commerce Committee engaged Black, Indigenous, and Persons of Color (BIPOC) business and community leaders across the state to inform and develop **H.159**. It invests \$150,000 in a process to be driven by BIPOC and may include the creation of a minority business development center or authority. This legislation will also provide technical support for BIPOC businesses, improve language access and cultural competency practices in state economic development programs, and strengthen state data collection to better serve the BIPOC community.

Read bills, look up voting records, and watch committee and floor meetings at: legislature.vermont.gov.