# Necrason Group <del>+</del>

## VBA 2024 Legislative Report Week 1

## **Opening of the Session and Governor's Inaugural Address**

The second-half of 2023-2024 Vermont legislative session kicked-off on Thursday afternoon this week with the Governor's <u>State of the State Address</u>. The Governor's speech was a high-level overview of his political agenda for the coming year without much policy specificity. Details on his agenda will become clear when his FY25 budget is presented later this month. The themes of his address were familiar ones: demographic challenges, public safety, affordability, and housing.

On Vermont's demographic challenges, the Governor noted that, as of 2022, "we have 14,000 fewer kids under the age of 18 than we did in 2010. During that same period, we have 28,000 fewer adults ages 40 to 54, which is the core of our workforce. And we have 48,000 more over the age of 65." The Governor urged lawmakers to keep these alarming trends in the forefront as they develop new policies. These trends, he argued, contribute to our workforce shortage, and result in fewer taxpayers to pay higher taxes necessary to support a bloated education system and an aging population.

Throughout his speech, the Governor pleaded with the legislature to work with him and chided them for their continued spending and taxing that he believes is exacerbating the state's challenges. The Governor said: "Now, I'm a realist, and I know you have a supermajority. You've proven the final budget, and the growing burden of taxes, fees and other policy-driven costs, is in your hands. So all I can do is make my case..."

It's worth noting that hours before the Governor delivered his remarks in the well of the House, the House voted, by a wide margin (112-32), to override *yet another* of Governor Scott's vetoes. This one was on <u>a bill</u> that would expand Vermont's decades-old bottle redemption law to cover water bottles, wine bottle and other beverage containers. The Senate will vote to override this veto on January 23. As of this week, Governor Scott has issued 44 vetoes, more than any other Governor in Vermont history. Thirty-two (32) have been sustained, and only 11 overridden by the legislature, with the most recent veto - TBD. Six of the 11 vetoes that the legislature has overridden occurred in 2023, while Democrats enjoyed a supermajority in both the House and Senate.

### **Headlines of Note**

<u>Final Reading: House overrides Scott's veto of 'bottle bill'</u> <u>In State of the State, Phil Scott tackles Vermont's demographic challenges — and Democrats'</u> <u>spending</u>

### Next Week - Committee Hearings of Interest to VBA

There are no hearings scheduled next week of note to the VBA.

Bill	Sponsors	Description	Status
	NEW BILLS	S OF INTEREST TO THE VBA INTRODUCEI	D IN 2024
<u>H 601</u>	Rep. Lawrence Satcowitz	An Act Relating To Prohibiting The Presence Of Toxic Chemicals In Plastic Packaging	Committees: House Environment and Energy Status:
		This bill proposes to prohibit the presence of certain high priority materials and high priority chemicals in packaging or packaging components sold or distributed in the State.	Read First Time and referred to the Committee on Environment and Energy (01/03/24)
<u>H 643</u>	Rep. Lucy Boyden	An Act Relating To The Sale Of Closed Containers Of Alcoholic Beverages Within A First- Or Third-class License Serving Area	Committees: House Government Operations and Military Affairs
		This bill proposes to allow the holder of any combination of first-, second-, and third-class licenses to sell closed containers of alcoholic beverages, for off-premises consumption, anywhere in first- or third-class licensed premises.	Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/04/24)
<u>H 662</u>	Rep. Michael Marcotte; Rep. Woodman Page	An Act Relating To The Merger Of Entities That Hold Separate Alcoholic Beverage Licenses	Committees: House Government Operations and Military Affairs
		This bill proposes to allow two or more licensed entities that have merged and formed a parent corporation to continue to hold separate alcoholic beverage licenses while operating under a unified payroll and administrative system.	Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/04/24)
<u>H 680</u>	Rep. Katherine "Kari" Dolan; Rep. Matthew Birong; Rep. Stephanie Jerome	An Act Relating To Expanding Access To Special Venue Serving Permits This bill proposes to allow any retail establishment to acquire a special venue serving permit from the Division of Liquor Control.	Committees: House Government Operations and Military Affairs Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/04/24)
	BILLS	INTRODUCED IN 2023 THAT ARE STILL "A	LIVE"
<u>H 7</u>	Rep. Anne Donahue	An Act Relating To Replacing The Term "cider" With "hard Cider" Within Title 7 This bill proposes to replace the term	Committees: House Government Operations and Military Affairs
		"cider" with "hard cider" within Title 7 of the Vermont Statutes Annotated.	Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/05/23)

<u>H 60</u>	Rep. Matthew Birong	An Act Relating To Fourth-class Licenses For Alcoholic Beverage Manufacturers	Committees: House Government Operations and Military Affairs
		This bill proposes to authorize the holder of a manufacturer's or rectifier's license to acquire not more than fourth-class licenses.	Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/18/23)
<u>H.78</u>	Rep. Matthew Birong	An Act Relating To Repealing The Sunset Of 7 V.s.a. § 230	Committees: House Government Operations and Military Affairs
		This bill proposes to repeal the sunset of 7 V.S.A. § 230 (sale of alcoholic beverages for off-premises consumption) to allow licensees to sell alcoholic beverages for pick up or delivery beyond July 1, 2023.	Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/20/23)
<u>H 158</u>	Rep. Amy Sheldon; Rep. Dara Torre; Rep. Kristi Morris; Rep. Lawrence Satcowitz; Rep. Seth Bongartz	An Act Relating To The Beverage Container Redemption System This bill proposes to expand the scope of beverages subject to the beverage container redemption system to include all drinks in liquid form and intended for human consumption, except for milk, dairy products, plant-based beverages, infant formula, meal replacement drinks, or nonalcoholic cider. The bill would also require all manufacturers and distributors of covered beverages to participate in a producer responsibility organization that shall manage the collection and disposition of beverage containers	Committees: House Ways and Means; Senate Finance; Senate Natural Resources and Energy; Senate Appropriations; House Appropriations; House Environment and Energy Status: Veto of the Governor overriden by a vote of Yeas = 112, Nays = 32 (01/04/24) Senate will vote on override on 1/23/24.
<u>H 225</u>	Rep. Joseph "Chip" Troiano; Rep. Avram Patt; Rep. Brian Cina; Rep. Dennis LaBounty; Rep. Emma Mulvaney-Stanak; Rep. James Carroll; Rep. James Masland; Rep. John Arrison; Rep. Josie Leavitt; Rep. Kate Logan; Rep. Kate Logan; Rep. Kate McCann; Rep. Kristi Morris; Rep. Leslie Goldman; Rep. Michael Mrowicki; Rep. R.	An Act Relating To Eliminating The Tipped Minimum Wage This bill proposes to require that tipped employees are paid the standard minimum wage by 2024.	Committees: House General and Housing Status: Read First Time and referred to the Committee on General and Housing (02/10/23) VBA OPPOSES THIS BILL

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	Scott Campbell; Rep. Robert "Bobby" Farlice-Rubio; Rep. Troy Headrick		
<u>H 261</u>	Rep. Logan Nicoll	An Act Relating To Retail Delivery Of Alcoholic Beverages By Third-party Contractors	Committees: House Government Operations and Military Affairs
		This bill proposes to allow the holder of a second-class license and retail delivery permit to deliver certain alcoholic beverages to individuals 21 years of age or older through an approved third-party contractor and amend the provisions related to the permitted hours of sale.	Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (02/15/23)
<u>H 272</u>	Rep. Matthew Birong	An Act Relating To A Reciprocity Requirement For Out-of-state Consumer Shipping Licenses	Committees: House Government Operations and Military Affairs
		This bill proposes to limit the issuance of out-of-state malt beverage consumer shipping licenses to breweries that are located in states that allow Vermont brewers to acquire consumer shipping licenses.	Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (02/16/23)
<u>H 273</u>	Rep. Matthew Birong	An Act Relating To Direct-to-consumer Shipping Of Spirits And Fortified Wines	Committees: House Government Operations and Military Affairs
		This bill proposes to authorize a manufacturer of spirits or fortified wines to acquire a consumer shipping license and ship the manufacturer's products directly to consumers in Vermont.	Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (02/16/23)
<u>H 417</u>	Rep. Kelly Pajala; Rep. Logan Nicoll	An Act Relating To Drink Specials This bill proposes to permit a first- class licensee to sell malt and vinous beverages	Committees: House Government Operations and Military Affairs
		at a reduced price during a period of not more than two hours each day. It also proposes to permit a third- class licensee to sell spirits and fortified wines at a reduced price during a period of not more than two hours each day.	Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (02/28/23)
			<mark>VBA SUPPORTS THIS</mark> BILL
<u>S 60</u>	Sen. Kesha Ram Hinsdale; Sen. Thomas Chittenden	An Act Relating To Local Option Taxes This bill proposes to authorize: (1) any Vermont municipality to adopt a one percent local option tax on sales, meals and alcoholic beverages, and rooms; and	Committees: Senate Finance; House Government Operations and Military Affairs; Senate Finance?

		(2) the Commissioner of Taxes to disclose a municipality's local option tax data to the town manager or legislative body of that municipality, provided that the disclosure subjects the recipient to the penalties for unauthorized disclosure of confidential tax data.	Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (04/11/23)
<u>S 86</u>	Sen. Richard Westman	An Act Relating To Replacing The Term "cider" With "hard Cider" Within Title 7 This bill proposes to replace the term "cider" with "hard cider" within Title 7 of the Vermont Statutes Annotated.	Committees: Senate Economic Development, Housing and General Affairs Status: Read 1st time & referred to Committee on Economic Development, Housing and General Affairs (02/16/23)
<u>S 107</u>	Sen. Richard Westman	An Act Relating To Authorizing Off-site Tasting Rooms For Alcoholic Beverage Manufacturers This bill proposes to allow holders of a manufacturer's or rectifier's license to acquire a first-class license to sell their products at a tasting room that is not located on property contiguous with the manufacturing location.	Committees: Senate Economic Development, Housing and General Affairs Status: Read 1st time & referred to Committee on Economic Development, Housing and General Affairs (02/24/23)
<u>S 110</u>	Sen. Richard Westman; Sen. Kesha Ram Hinsdale	An Act Relating To Direct-to-consumer Shipping Of Spirits And Fortified Wines This bill proposes to authorize a manufacturer of spirits or fortified wines to acquire a consumer shipping license and ship the manufacturer's products directly to consumers in Vermont.	Committees: Senate Economic Development, Housing and General Affairs Status: Read 1st time & referred to Committee on Economic Development, Housing and General Affairs (02/28/23)