

## VBA 2024 Legislative Report Week 3

### TAXING AND SPENDING

Last week, Vermont state economists offered their [revenue projections](#) and economic analysis for the months ahead. The bottom line of the report was good news - revenues are healthy and there are no signs of a recession on the immediate horizon.

Each January, state economists present a consensus revenue forecast to the Emergency Board comprised of the chairs of the four legislature money committees and the governor, as chair. The projections consider current and future economic conditions, as they see it, and set tax revenue targets for the next two fiscal years. This helps the elected officials prepare their budgets. The revenue report is then revisited in July to update as needed.

Along with overall positive results, if less robust than previous years, the economists reported that they anticipate a “new normal” once the largesse of federal money plays out.

The revenue forecast comes a week before the Governor is to deliver his Budget Address – scheduled for Tuesday, January 24 at 1pm. You can watch it [here](#). The Governor has been warning lawmakers for months to expect a lean budget this year as the flood of federal dollars received in the last 4 years is drying up and revenues are not keeping up with legislators’ spending appetite. We can expect that the Governor’s budget will not receive a warm welcome from lawmakers, setting the stage for another drawn-out budget battle. Stay tuned for details.

### HEADLINES OF NOTE

[In review: A climate change 'superfund,' and debate over Vermont's emissions goals](#)  
[‘Not intended as free money’: Lawmakers scold schools over spending](#)  
[State Auditor Doug Hoffer files suit against Attorney General Charity Clark](#)  
[New Study Documents the Economic Impact of Vermont’s Arts Sector](#)

### VBA ISSUES UPDATE

On Wednesday afternoon at 1pm, the [House Government Operation committee](#) will begin consideration of alcohol issues that may be included in a miscellaneous tax bill.

The committee will first hear an update from DLL. The committee will then hear from the sponsors of the following bills (see bill chart below for links and descriptions of these bills):

- H. 643 - An act relating to the sale of closed containers of alcoholic beverages within a first- or third-class license serving area.
- H. 680 - An act relating to expanding access to special venue serving permits.
- H. 662 - An act relating to the merger of entities that hold separate alcoholic beverage licenses.

The sponsors will explain why they are introducing the bill and what the bill hopes to accomplish. The VBA may want to weigh in on these bills if they move forward. You can watch the hearing [here](#).

VBA 2024 BILL REPORT			
Bill	Sponsors	Description	Status
NEW BILLS INTRODUCED IN 2024 as of 1/20/24			
<a href="#">H 601</a>	Rep. Lawrence Satcowitz	<p>An Act Relating To Prohibiting The Presence Of Toxic Chemicals In Plastic Packaging</p> <p>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.</p>	<p>Committees: House Environment and Energy</p> <p>Status: Read First Time and referred to the Committee on Environment and Energy (01/03/24)</p>
<a href="#">H 643</a>	Rep. Lucy Boyden	<p>An Act Relating To The Sale Of Closed Containers Of Alcoholic Beverages Within A First- Or Third-class License Serving Area</p> <p>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.</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/04/24)</p>
<a href="#">H 662</a>	Rep. Michael Marcotte; Rep. Woodman Page	<p>An Act Relating To The Merger Of Entities That Hold Separate Alcoholic Beverage Licenses</p> <p>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.</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/04/24)</p>

<a href="#">H 680</a>	Rep. Katherine "Kari" Dolan; Rep. Matthew Birong; Rep. Stephanie Jerome	<p>An Act Relating To Expanding Access To Special Venue Serving Permits</p> <p>This bill proposes to allow any retail establishment to acquire a special venue serving permit from the Division of Liquor Control.</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/04/24)</p> <p><b>GAC concerned that this bill could be a "slippery slope."</b></p>
<a href="#">H 726</a>	Rep. Kate Nugent	<p>An Act Relating To Compliance Checks By The Division Of Liquor Control</p> <p>This bill proposes to require the Division of Liquor Control to perform regular compliance checks of alcoholic beverage licensees.</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read first time and referred to the Committee on Government Operations and Military Affairs (01/10/24)</p>
<b>BILLS INTRODUCED IN 2023 THAT ARE STILL "ALIVE"</b>			
<a href="#">H 7</a>	Rep. Anne Donahue	<p>An Act Relating To Replacing The Term "cider" With "hard Cider" Within Title 7</p> <p>This bill proposes to replace the term "cider" with "hard cider" within Title 7 of the Vermont Statutes Annotated.</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/05/23)</p>
<a href="#">H 60</a>	Rep. Matthew Birong	<p>An Act Relating To Fourth-class Licenses For Alcoholic Beverage Manufacturers</p> <p>This bill proposes to authorize the holder of a manufacturer's or rectifier's license to acquire not more than fourth-class licenses.</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/18/23)</p>

<a href="#">H 78</a>	Rep. Matthew Birong	<p>An Act Relating To Repealing The Sunset Of 7 V.s.a. § 230</p> <p>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.</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/20/23)</p>
<a href="#">H 158</a>	Rep. Amy Sheldon; Rep. Dara Torre; Rep. Kristi Morris; Rep. Lawrence Satcowitz; Rep. Seth Bongartz	<p>An Act Relating To The Beverage Container Redemption System</p> <p>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....</p>	<p>Committees: House Ways and Means; Senate Finance; Senate Natural Resources and Energy; Senate Appropriations; House Appropriations; House Environment and Energy</p> <p><b>Status:</b> <b>Veto of the Governor overridden by a vote of Yeas = 112, Nays = 32 (01/04/24)</b></p> <p><b>Senate will vote on override on 1/23/24.</b></p>
<a href="#">H 225</a>	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 McCann; Rep. Kristi Morris; Rep. Leslie Goldman; Rep. Michael Mrowicki; Rep. R. Scott Campbell; Rep. Robert "Bobby" Farlice-Rubio; Rep. Troy Headrick	<p>An Act Relating To Eliminating The Tipped Minimum Wage</p> <p>This bill proposes to require that tipped employees are paid the standard minimum wage by 2024.</p>	<p>Committees: House General and Housing</p> <p>Status: Read First Time and referred to the Committee on General and Housing (02/10/23)</p> <p><b>VBA OPPOSES THIS BILL</b></p>
<a href="#">H 261</a>	Rep. Logan Nicoll	<p>An Act Relating To Retail Delivery Of Alcoholic Beverages By Third-party Contractors</p> <p>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</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (02/15/23)</p>

		contractor and amend the provisions related to the permitted hours of sale.	
<a href="#">H 272</a>	Rep. Matthew Birong	<p>An Act Relating To A Reciprocity Requirement For Out-of-state Consumer Shipping Licenses</p> <p>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.</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (02/16/23)</p>
<a href="#">H 273</a>	Rep. Matthew Birong	<p>An Act Relating To Direct-to-consumer Shipping Of Spirits And Fortified Wines</p> <p>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.</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (02/16/23)</p>
<a href="#">H 417</a>	Rep. Kelly Pajala; Rep. Logan Nicoll	<p>An Act Relating To Drink Specials</p> <p>This bill proposes to permit a first- class licensee to sell malt and vinous beverages 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.</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (02/28/23)</p> <p><b>VBA SUPPORTS THIS BILL</b></p>
<a href="#">S 60</a>	Sen. Kesha Ram Hinsdale; Sen. Thomas Chittenden	<p>An Act Relating To Local Option Taxes</p> <p>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 (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.</p>	<p>Committees: Senate Finance; House Government Operations and Military Affairs; Senate Finance?</p> <p>Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (04/11/23)</p>

<a href="#">S 86</a>	Sen. Richard Westman	<p>An Act Relating To Replacing The Term "cider" With "hard Cider" Within Title 7</p> <p>This bill proposes to replace the term "cider" with "hard cider" within Title 7 of the Vermont Statutes Annotated.</p>	<p>Committees: Senate Economic Development, Housing and General Affairs</p> <p>Status: Read 1st time &amp; referred to Committee on Economic Development, Housing and General Affairs (02/16/23)</p>
<a href="#">S 107</a>	Sen. Richard Westman	<p>An Act Relating To Authorizing Off-site Tasting Rooms For Alcoholic Beverage Manufacturers</p> <p>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.</p>	<p>Committees: Senate Economic Development, Housing and General Affairs</p> <p>Status: Read 1st time &amp; referred to Committee on Economic Development, Housing and General Affairs (02/24/23)</p>
<a href="#">S 110</a>	Sen. Richard Westman; Sen. Kesha Ram Hinsdale	<p>An Act Relating To Direct-to-consumer Shipping Of Spirits And Fortified Wines</p> <p>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.</p>	<p>Committees: Senate Economic Development, Housing and General Affairs</p> <p>Status: Read 1st time &amp; referred to Committee on Economic Development, Housing and General Affairs (02/28/23)</p>