

VBA 2024 Legislative Report Week 17

Week ADJOURNMENT AND THE FY2025 BUDGET

The conference committee on H.883, the FY2025 budget, met numerous times last week and made progress in finalizing the annual spending bill. Big questions remain about some of the more controversial funding and revenue proposals, like funding for shelters and affordable housing. When an agreement is reached on the budget, the legislature can adjourn. The progress made last week makes adjourn next week seem possible.

PROPERTY TAXES

The Senate Finance Committee worked late on Friday to come up with a proposal to reduce the projected double digit property tax increase necessary to pay for school spending. Education property tax rates are set using the annual “yield bill”, which was passed by the House at the end of April. The House proposal would raise \$27 million in new revenue by taxing “cloud services” and applying a 1.5% surcharge to short-term-rentals.

On Friday evening the Finance Committee approved a slightly revised plan. Their revenue package designed to buy down the property tax increase also includes a cloud tax (\$12 million) and a 3% surcharge on short-term-rentals (\$6.5 million). We expect the full Senate will debate the Yield Bill on Monday.

MISCELLANEOUS ALCOHOL BILL

The Miscellaneous Alcohol Bill is still awaiting action by the Senate Finance Committee. We expect they will move on the bill early next week. The Senate Economic Development Housing and General Affairs Committee voted to advance the bill over a week ago. The committee’s [final version of the bill](#) is not substantially different than the bill passed by the House. See our Week 16 report for details.

HEADLINES OF NOTE

[Capitol Recap: House and Senate divided over new spending, proposed tax increases](#)

[House supermajority supports major flood resilience bill](#)

[Vermont Senate passes Act 250 reform bill after whirlwind debate](#)

[Phil Scott doubles down on Zoie Saunders’ interim appointment as education secretary](#)

[Overdose-Prevention Site Bill Advances in the Vermont Senate](#)