



Maida F. Townsend

State Representative

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As your Representative to the Vermont House, I take my responsibility to my South Burlington constituents very seriously. I encourage the citizens I represent to track my work on the Issues page at www.maidatownsend.org.

Plus, I invite you to talk to me, often...

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And don't forget you can visit with me at Trader Duke's. I am there Saturdays, 8:30 to 9:30 am, at "my" table at the end of the booths by the front windows.

I hope you find this Report on legislative issues interesting and useful...

2013 Town Meeting Day Legislative Report

Vermont Health Connect

Vermont's individuals, families and small businesses will have access to a new insurance marketplace in 2014 that will allow them to make apples-to-apples comparisons of their health coverage options. Vermont Health Connect will serve as the place where Vermonters can access tax credits to help pay their health care premiums. For a family of four making up to \$94,000 Vermont Health Connect will offer financial assistance paying for health insurance that has never been available before.

Many more Vermonters will receive reliable, comprehensive coverage through Vermont Health Connect in 2014. Currently, individuals in the private insurance market have an average deductible of \$10,000 and the average out-of-pocket cost to Vermonters is \$12,000 a year. Under the Affordable Care Act, Vermont Health Connect will offer insurance where the out-of-pocket maximum will be almost half that amount. Some Vermonters have an unlimited out-of-pocket maximum, which means they could potentially pay hundreds of thousands of dollars towards health care each year.

Health insurance plans in Vermont Health Connect will offer real value to Vermonters and will help them to stay healthy. Plans will cover primary care services without a deductible and in order to keep Vermonters healthy and preventive care will be covered without a deductible or co-pay. Additionally, Vermont is one of only two states (along with Massachusetts) that is considering a state supplement to federal premium and cost sharing assistance. Vermonters who are coming from VHAP or Cata-mount, along with 40,000 Vermonters of similar income to Vermonters on those programs will be offered an additional assistance premium and cost sharing.

In 2017 the federal government will allow states to apply for a waiver from the Affordable Care Act exchanges. Vermont is on a path to apply for a waiver in 2017 that would allow Vermont to create a universal health care system. Once this system is in place, Vermont could save \$500 million compared to our current system. In order to embark on a new health system, Vermont needs to do more work to be sure our health care is afford-

able, offers high quality and contains growth. If we don't change health care so that it is keeping people well, it won't matter how we pay for it, we won't be able to afford it. The Green Mountain Care Board is working on quality and cost containment projects to make Vermont's health care delivery system the most efficient and highest quality in the nation.

Education Property Tax

There are two parts to education financing. One is the spending decisions made by communities across the state; local voters decide how much to spend based on the needs of their school children and the pressures on the budget such as salaries, health care, and fuel costs. It is the responsibility of the legislature to determine how the taxes will be divided up among taxpayers. We set base rates for homestead and income sensitized taxpayers, both of which are adjusted by local spending decisions. And, we set a non-homestead rate, which is a flat rate, and is not adjusted by education spending.

As we began to set the education property tax rate for FY14, we were faced with education spending increases 5.5% higher than FY13. This translates into \$64.4 million in increased education spending over last year, with total education fund spending increases (including transportation, tech ed, small schools etc.) of \$72.6 million.

During the Great Recession of the last five years, school boards have worked very hard to keep growth in education spending very low. And, stimulus/ARRA money insulated us from some cost increases. The education costs we face today are increasing as a result of rising health insurance, special education costs, contractual salary increases and a continued decline in our student population. Over the last 12 years our school age population has declined by 22,000 students. Vermont now has 82,000 enrolled in public school. We have fewer children and we are spending more money.

As we recover from the Great Recession we face additional challenges. The first is that our statewide grand list continues to decline. This year it is projected to decline 1.5%.

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Lower values mean that last year's rates on property will raise less money. The second is that revenue from other sources that feed the Ed Fund (sales tax, lottery, Medicaid etc.) has also been slow to recover.

As a result of these financial pressures, our Education Property Tax is set to rise significantly. We set the base education homestead tax rate at \$.94 cents (up from \$.89 cents) and the uniform non-homestead tax rate at \$1.44 (up from \$1.38) per \$100 of assessed value. Property tax adjustments for income-sensitized taxpayers (households earning \$90,000 or less) will stay at 1.8%. If no bill is passed, the tax rates revert to the much higher statutory amounts (\$1.10, 1.59 and 2%). In addition to setting the rates for FY14, the legislature has also made a commitment to continue our work on reforming education finance. By March 2014, we expect to have proposals into the General Assembly which address financing, educational outcomes, and oversight of our current system.

Flexible Pathways

Research demonstrates high school juniors and seniors derive many benefits from taking college-level courses for dual-credit. Dual credit enhances college readiness; motivates first-generation students to see college as an option; and reduces the amount of time it takes to complete college.

Flexible Pathways legislation would allow eligible students to take up to two courses for both high school and college credit, through a post secondary institution's dual enrollment program at no cost before graduating.

Confronting Homelessness

Homelessness has been a persistent and growing problem in Vermont for over 30 years. On the second day of the 2013 session, the House passed a resolution recognizing the severity of homelessness in Vermont. Vermont's homeless population, which includes people "couch surfing" or otherwise precariously housed, rose from 2,281 in 2008 to 2,819 in 2012 – a 24% increase. A growing percentage of the homeless are families with children as this year's "Emergency Shelter/Solutions Grants Vermont Annual Report" (ESG) documents. According to the report, 4,244 people sought shelter last year – 22% were homeless children. The average length of stay in the state's shelters was 36.3 days in 2012, compared to 15.2 days in 2002.

The House Committees on Housing and Appropriations are deeply concerned about the continued heavy reliance on costly motel stays as a primary solution for housing homeless Vermonters. Safety and habitability concerns surrounding motels are common throughout the state. Efforts are underway to phase out this emphasis on motels through revisions in the General Assistance program, in collaboration with the Department of Children and Families.

Search and Rescue

Although there is law describing what happens when a vulnerable person is reported missing, there is presently nothing in law regarding what must happen when a person is reported missing or lost "in the backcountry, remote areas, or waters of the State." The House Government Operations Committee is working to address this, with a focus on a search and rescue response that is organized, immediate, and cooperative. The current proposed language would designate the Commissioner of

Public Safety as having jurisdiction over all search and rescue operations, cooperating with and supporting all other agencies and parties involved, such as game wardens. A search and rescue database must be organized geographically and updated regularly, identifying all agencies and organizations having specific search and rescue response capability. The goal of getting search and rescue laws on the books is to save lives and recover lost Vermonters in as swift and cooperative a fashion as possible.

Pension Forfeiture

Public employees must not betray the trust placed in them by the public. This trust is special and a privileged expectation of all public employees. If the trust is broken, there is a mechanism that may be used to make taxpayers 'whole' and also to restore the public trust.

House Government Operations and House Judiciary worked on legislation defining the consequences for a public employee convicted of financially-related felonies, including "an attempt to commit, or aiding in the commission of" such felonies. The consequence in addition to the sentence in the criminal proceedings is that the public employee's retirement benefits may be subject to forfeiture, "in whole or in part," in proceedings before the Civil Division of the Superior Court. The Court has discretion in considering the extent of the forfeiture, and may consider the severity of the crime, the degree of public trust placed in the public employee, and whether or not there are innocent family members such as children or an unknowing spouse when determining the extent of the forfeiture.

The House passed this bill in February. It is now in the Senate Government Operations committee for its consideration.

Systemic Approach to Opiates

Ensuring public safety in our communities is a high priority for the legislature. Home and vehicle break-ins are occurring at a high rate, in large part fueled by opiate addiction. The spoils of these illegal activities are easily converted to cash at many places around the state. Unscrupulous dealers who are not complying with the retention period are prompting discussion of increasing penalties as well as increasing the retention period.

Methamphetamine use does not appear to be as large a drug problem as prescription drug abuse however the degree of violence in combination with the highly addictive qualities associated with meth use prompts a more detailed review of state policies. We are considering a proposal that would require pharmacists to check a real-time database to ensure that people have not already purchased ephedrine at another pharmacy in the state within a 30-day period.

Energy and Environment

Most Vermonters heat their homes with oil and other fossil fuels. This leaves us vulnerable to constant price increases, worsens our greenhouse gas emissions, and makes our homes less and less affordable. House bill 216 aims to improve the thermal efficiency of our leaky housing stock. It bolsters low-income weatherization, takes steps to keep the price of oil as low as possible for people who receive heating assistance, and streamlines services for higher-income Vermonters who can more easily finance their retrofits. As the pace of home improvement picks up, we also anticipate local job growth for contractors, auditors, and other heating professionals.