



2/26/88

LEGISLATIVE AGENDA FIRMS UP IN THE COMING WEEK

With the determined pace of the 1988 session, we've been hard-pressed to get the news out on environmental initiatives in the General Assembly. We've had some initial victories already, as you will read; however, your help is especially needed in the coming days as several bills arrive on the House and Senate floor for debate.

Your Senators and Representatives can generally be reached at home all day Monday and on Friday afternoons or at the Statehouse at the following toll-free number: 1-800-322-5616. One call or letter means a lot... so please take the time to let them know where you stand!!

VNRC priorities in the 1988 session:

- Growth Management: (H.779 & S.282) The special House Growth Committee is wrapping up work on a package (H.779) that would reorganize Vermont's land use planning policies. The House bill is expected to incorporate many of the recommendations from the recently released report by the Governor's Commission on Vermont's Future. The Senate is waiting to receive a bill from the House, although the Senate Natural Resources Committee has been steadily working on their own planning bill (S.282).

There are four major elements of the House Growth package: 1) property tax reform and revenue sharing; 2) guidelines for local and regional planning; 3) provisions to encourage towns and regions to plan; and 4) funding for the Housing & Conservation Trust Fund and proposed farm assistance program.

At this time, the composition of the final package is uncertain. VNRC, however, believes that several areas are essential to the package. Of these, the area most crucial to the long-term success of any planning legislation is property tax reform:

The House is considering a very modest reform that would require communities to send 50% of the taxes collected from "new non-residential growth" to the state for redistribution to towns currently strained by the property tax. The 50% figure represents only 1.5 % (\$2.4 million) of the total non-residential tax base. Another proposal is to share the new (as of April 1989) non-residential tax base across distinct regions, a proposal which--although more politically acceptable to some--may isolate the prosperity to only a few areas of the state.

The property tax is a driving force in land-use decision-making in Vermont. Many Vermont towns cannot afford to refuse new development because of their need for new tax revenues. The current system promotes increased state spending on programs such as the property tax relief fund (\$10 million) and the Current-Use tax program (\$8 million). And the current property tax system can be a strong deterrent to creative land use programs such as the use of transferable development rights, conservation easements, and land acquisition efforts.

The 1.5 % figure noted above amounts to only about \$2.4 million in the first year available for redistribution among some 200 towns. In comparison to the state's outlay to towns for education of roughly \$130 million, the redistribution of even the expected \$20 million the program may raise by 1995 will not provide a significant disincentive for towns that must continue to compete with their neighbors for any new property tax base they can find.

Instead, VNRC supports a statewide tax on non-residential property as the most efficient and fair method of revenue-sharing. Such a tax recognizes the interdependence of towns across certain economic regions and recognizes that fair market valuation puts difficult burdens on low- and middle-income Vermonters. It also removes the need for towns to struggle for new tax base--a struggle which can occur at the expense of environmental protection and land conservation programs.

Other VNRC priorities for the House Growth package:

- ° Any reformatting of the planning process must have a realistic level of funding attached; VNRC supports the use of the property transfer tax for planning purposes.
- ° Locally-elected officials should serve on regional planning commissions, but they need not necessarily be selectpersons. VNRC supports using locally appointed government officials, particularly town planning officials, to serve at the regional level.
- ° Regional Plans should have jurisdiction for projects deemed to be regional in scope, e.g. shopping malls, waste incinerators, or other major development.
- ° There should be some strings attached to the forwarding of planning monies by the state to localities. There should be no incentive for towns to do lackluster planning.
- ° The Housing and Conservation Trust Fund should receive full funding through the state's current bonding capacity. The state should take advantage of surplus monies to assist Vermont farmers this year through a joint subsidy and debt relief program.

* * * * *

VNRC has provided supporting testimony to Legislative Committees on these four bills:

- H.221: "The bottle bill expansion" Supporters of H.221 gained a solid victory when this bill recently passed the House. Under the proposal, our current deposit legislation would be amended to include a deposit on "wine coolers" at 5-cents and liquor bottles at 25-cents. VNRC supports H.221 since it will keep more glass out of landfills and promote recycling. Your support is needed now in the Senate.
- S.268: "The administrative penalties bill" This bill would give Vermont environmental regulatory agencies the ability to initiate enforcement actions in a more timely and efficient manner. Currently, polluters can gamble on the lack of enforcement in many areas because the state is slow to prosecute--if it prosecutes at all. VNRC is also lobbying for inclusion of a "citizens' suit" provision that allows the public to take action against polluters if the state cannot.
- H.398: "The reclassification bill" Following the arduous Ottauquechee River reclassification hearings last year (See Vermont Environmental Report, Summer and Fall 1987), the Legislature is now considering modification of the process to ensure that public input is better received and represented throughout the hearing process. This bill has already passed the House and is awaiting review in the Sen. Natural Resources Committee.

On a similar note, VNRC received good news when the Legislative Committee on Administrative Rules rejected the Water Resources Board proposed Class C zone for the upper Ottauquechee River; the reclassification was deemed arbitrary and inconsistent with Vermont's water quality policies. Our thanks to Chairman Frank DaPrato, Representatives Stephen Reynes, John Murphy, and Senators William Hunter and Seth Bongartz.

- H.681: This bill resurrects a previous legislative effort to put waste incinerators under Act 250 jurisdiction. The bill, however, has been modified to leave review for incinerators under the existing Public Service Board's "Act 248" rate-setting process with the addition of environmental criteria from Act 250. The bill also gives authorization to the PSB to investigate energy conservation plans by utilities and to consider environmental impacts from new gas distribution networks.

VNRC is also working on several other bills including:

- S.295: Regulates wood-chip harvesting to require good forestry practices (VNRC supports).
- H.733: Would establish an environmental bonding agency to fund many programs currently funded out of the state capital construction budget (VNRC supports, but bill needs work!)
- H.365: "The Sportspersons's Bill of Rights" (VNRC supports).
- S.289: New criteria on the 9(b) "prime ag soils" criterion of Act 250 (VNRC opposes).

☆ Call VNRC for more information at 223-2328. Please call your legislators today! ☆

Vermont Natural Resources Council
9 Bailey Avenue
Montpelier, Vermont 05602

Non-Profit Org.
U.S. Postage
Paid
Montpelier, Vt.
Permit No. 285



UNIVERSITY OF VERMONT
BAILEY LIBRARY
SERIALS DEPT
BURLINGTON VT 05405