



State to Main

The Voice of Vermont Business



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[Grade A: End of Session Commentary](#)

With final adjournment set, legislators can now focus on the November 3rd election. This unique September legislative session, required to address COVID-19 related issues, has significantly shortened campaign season for incumbents. Adjournment coincides with this week's mailing of election ballots to registered voters in Vermont. Governor Phil Scott shared early on that he would focus on the pandemic rather than elections. Speaker of the House Mitzi Johnson (D-Grand Isle) and Senate President Tim Ashe (D-Chittenden) set a course of cooperation with the Scott Administration from the beginning and demonstrated that elected leaders of different parties can work together for the greater good of Vermonters. These leaders did an exceptional job acting quickly to appropriate Coronavirus Relief Funds to struggling businesses and laid off workers. This will help keep our state's businesses afloat until Vermont can fully reopen its economy. The collaboration did not always extend to non-COVID related issues, with the Legislature flexing their supermajority muscle and overriding two gubernatorial vetoes on minimum wage and the Global Warming Solutions Act. In the end, Vermont is fortunate to have elected leaders that put the state of the State first and politics second. On the core issue of handling the pandemic and the legislation surrounding it, all involved deserve a solid "A."

[More Economic Relief for Business](#)

As part of the budget negotiations, the House and Senate resolved their differences and appropriated the remaining \$100 million in economic relief funding. Once signed into law by the Governor, an additional \$80 million will be disbursed to businesses by the Agency of Commerce, nearly doubling the first round of funding. In this tranche of grants, there will be fewer restrictions and a higher cap of \$300,000. The 50% loss threshold in one month was also removed and replaced with language that requires businesses to demonstrate need from March 1 through December 31, 2020. This should allow more businesses to

access more funds and help them survive the pandemic. The budget also includes \$17 million in additional relief for recipients of unemployment benefits. Additionally, the budget appropriates \$4 million to the Vermont Department of Tourism and Marketing to publicize the resumption of activities and steps taken to ensure a safe experience and to encourage visitation and consumer spending. The Vermont Chamber called for removing eligibility restrictions and increasing grant funding for businesses that were most severely impacted by mandated operating restrictions related to COVID-19.

[FAQs on Spending Grant Funds](#)

With multiple rounds of State funding for business grants through both the Department of Taxes and the Agency of Commerce, many businesses have reached out to the Vermont Chamber for clarity on the rules for spending these funds. Our President, Betsy Bishop, had a clarifying conversation with the Deputy Secretary of the Agency of Administration who [answered the most frequently asked questions](#) regarding spending timelines, tracking, and coordination with federal grants.

[Municipalities Given Authority to Regulate Short-Term Rentals](#)

The House and Senate have passed S.237, a bill that addresses several initiatives to create more housing options for Vermonters. This bill will give authority to municipalities to regulate short-term rentals if those regulations do not adversely impact available long-term rental housing. In the presentation to the full Senate, Sen. Michael Sirotkin (D-Chittenden) stated that there would likely be future legislation to regulate short-term rentals due to the growing demand for this lodging option and the increased participation of Vermonters in this part of the gig economy. However, increasing short-term rentals can constrain the housing market which is already lacking affordable options. The Vermont Chamber has worked to level the playing field between these unregulated lodging rentals and traditional inns and B&Bs and will continue to do so next session.

[Act 250 Impacts Trails, No Action on Development](#)

The Act 250 bill has been significantly diminished and now focuses solely on trail systems and forest fragmentation and avoids any change for development in enhanced designation areas. This bill is expected to pass and concludes more than two years of discussions that were focused on encouraging sustainable economic growth and more affordable housing. Despite solid data and information provided by the Vermont Chamber and other business organizations, the Legislature ultimately rejected change.

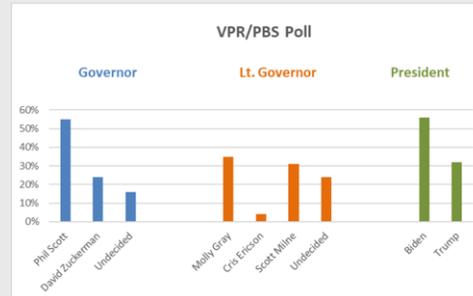
[Remaining FY21 Budget Passed, Difficult Decisions Ahead](#)

The Legislature passed the remaining three quarters of the FY21 general fund budget reflecting few budget cuts even with a looming forecast of decreased revenue due to the pandemic. The legislative perspective is to manage through the first six months of this fiscal year without making structural changes and then, when they convene in January, to adjust the budget for the remainder of the fiscal year. In January, they will also begin the process of creating the FY21 budget which will likely be a difficult process due to the

uncertainty around economic gain, business transactions, and consumer spending, all impacting tax revenue to the State. Without the continued level of tax revenue at the pre-COVID level, significant cuts to state programming will likely be needed or, alternatively, tax increases.

[Polls: Scott Leads Zuckerman; Milne and Gray in Tight Race](#)

As the Legislature adjourns, election season moves into high gear with the release this week of a poll from Vermont Public Radio and Vermont PBS showing Governor Phil Scott with a comfortable lead over Lt. Governor David Zuckerman in the Governor's race and newcomers Molly Gray and Scott Milne in a tight race for the Lt. Governor position.



[Legislature Overrides Governor's Veto of Global Warming Solutions Act](#)

Both the House and the Senate overrode Governor Scott's veto of the Global Warming Solutions Act (GWSA) which requires the state to reduce greenhouse gas pollution to 26% below the 2005 levels by 2025. Emissions would need to be 40% below 1990 levels by 2030 and 80% below by 2050. Governor Scott had two main objections: enforcement and process. The enforcement provision for the GWSA is the ability for citizens to sue the state for noncompliance. In his veto message, the Governor said the bill would "lead to inefficient spending and long, costly court battles, not the tangible investments in climate-resilient infrastructure, and affordable weatherization and clean transportation options that Vermonters need." The bill did not set forth any investments or programs for meeting the goals and instead gave that authority to a yet-to-be formed 23-person Climate Council made up of Administration officials, business representatives, and climate experts. The Governor's objection to this provision was the removal of any Legislature oversight or formal approval on any climate action plan.

[Resource Roundup](#)

The Vermont Chamber staff has spent hundreds of hours on COVID-19 Zoom calls, conference calls, and webinars learning so that we can answer your questions in this ever-changing time. [Contact us](#) and we will get you answers. We have also seen excellent content from our members and Vermont agencies, which we are compiling weekly.

[Visit our Resource Roundup](#) this week to **watch candidate forums** cohosted by the Vermont Chamber, **share your broadband access needs**, and **make your voice heard on transportation decisions**. If you have content to include, please send information to news@vtchamber.com. Thank you for your support.

[In Case You Missed It](#)

[COVID Restrictions Eased for Restaurant Bars and Hotels](#)

[Vt. Resorts to Skiers: Be Flexible, Be Patient, and Maybe Bring a Sandwich](#)

[Local Telecoms Districts Want More Federal Action to Help Reach Broadband Goal](#)

[Ballots Sent by Mail on 9/21, Learn How to Navigate the New Voting System](#)

[Vermont Lawmakers Send Retail Cannabis Bill to Governor](#)

[Woolf: Vermont Jobless Rate Shows Steep Decline, But the News is Not All Good](#)

VERMONT CHAMBER OF COMMERCE

The Voice of Vermont Business



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In business since 1912, the Vermont Chamber of Commerce is a private, not-for-profit business organization with 1,500 members employing 45,000 people and representing all sectors of the state's economy. Our mission is to create an economic climate conducive to business growth and the preservation of the Vermont quality of life. Copyright ©2018 The Vermont Chamber of Commerce. All Rights Reserved.

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