

## LEGISLATIVE REPORT

**Budget Crisis** - The national economic collapse has wreaked havoc with Vermont's budget. A \$338 million decline in revenues since January 09 prompted the Legislature to make drastic budget cuts and impose minor tax increases. The Legislature protected lower- and middle-income families by implementing modest decreases to their income taxes while requiring those with incomes above \$200,000 to pay more.

The Legislature voted to override the Governor's budget, largely because he recommended shifting costs from the General Fund to the Education Fund. The Governor's plan would have raised property taxes in our district from \$400 to \$600 per household. The House found this cost-shifting approach unacceptable.

Federal stimulus money of \$175 million helped keep Vermonters from losing essential services. Those funds will dry up after 2011. Stimulus funds will be visible in certain road repair projects.

Next year will still be difficult. The recession may end, but it will take time for State revenues to recover. The Legislature launched several initiatives addressing government operations, education finance, teachers' retirement, and our tax structure. To improve efficiency and cost-effectiveness of operations, the Legislature ordered an independent review of our tax structure.

**Agriculture, Jobs, and the Economy** – Dairy farmers now lose about 40 cents on every gallon of milk they produce. The demand for lumber is down 70% since last Fall. Mill layoffs are nearing 50%. The House Agriculture Committee introduced seven bills to support diversification of farming and to expand opportunities for forest and wood products. We invested in a seed-capital fund to promote small businesses, and created a farm-to-plate program to expand agricultural processing, marketing, and distribution. New legislation provides low interest loans for energy-saving projects and stimulus money for a clean-energy fund. These initiatives will create jobs.

**Health Care** – New laws will make it easier for farmers and the self-employed to qualify for Catamount Health Care. A new pilot program supported by bulk purchasing will provide vaccines for adults and children at no cost.

**Energy** – After much controversy, a law was enacted to guarantee adequate funds to decommission Vermont Yankee Nuclear Power Plant upon sale or closure.

**Transportation** – Shaftsbury received a second Federal Transportation Enhancement Grant of \$75,000, extending the new sidewalk on Main Street. The original grant for the project was \$248,000. Kudos to the Sidewalk Committee, especially Karen Mellinger, for their hard work. The Legislature restored funds that had been cut to municipalities for local highways.

**Veterans** – About 1,800 Vermont Army Guard men and women have been deployed—the largest call-up since World War II. Federal support for social-service programs has been generous and the State will make sure our soldiers and veterans get the help they deserve.

It is an honor to serve as your State Representative.

Respectfully submitted

Alice Miller