

Here is a summary of what the legislature did in 2007:

The 2007 Session

Vermont Telecommunications Authority

Because of Vermont's small and rural population, it is difficult to get modern broadband Internet connections to every home, and equally tough getting cellular phone signals to every corner of the state. This winter, the legislature formed the Vermont Telecommunication Authority whose task will be to bring full coverage of high-speed internet service and cell phone signals within the reach of every Vermont home and business by the end of the year 2010.

The Authority will be run by a Board of Directors, and will have access to \$40 million in bonding ability. It will use the money as incentives to make serving the more remote towns more attractive, and by building as many as 120 new towers on which providers can locate their transmission equipment. It will also help to construct needed fiber-optic lines to bring the signals within reach of the towers.

The task of the Authority is huge, and the timetable is very short, but because the need is so great, the initiative became one of this winter's "must pass" bills, and we wish the new Authority all the best as they set out to bring ubiquitous wireless telecommunication service to all Vermont!

Climate change and economic opportunity

During the first few weeks of the session, the legislature heard from national and state experts about the challenge of global warming and the economic opportunity it presents for Vermont. Climate change is real and threatens to hurt Vermont's economy, particularly the ski industry, farming and maple sugaring.

As Vermont's policy leaders, the legislature had a unique opportunity to take important steps forward on achieving our shared goals for Vermont's energy future. Through legislation passed this session we will promote renewable energy and efficiency, create new jobs, save money for thousands of Vermonters whose heating bills keep going up, and protect our environment all in the course of addressing one of the most critical challenges facing Vermonters in the 21st century: global warming.

The Vermont Energy Efficiency and Affordability Act – H.520 – is the most comprehensive energy legislation to ever pass the legislature. H. 520 does many things, including creating the first ever in the nation Energy Efficiency Utility. This bill expands the award-winning Efficiency Vermont, which has received international acclaim for helping Vermonters save money on their electric bills while conserving electricity, to include all oil, propane, and natural gas. Much of the heat used in our buildings is wasted because of building inefficiency. In the last four years, the cost of heating oil has increased by 114% and in an international market shows no sign of decline. Creating an Energy Efficiency Utility makes sense because home and business owners will have less heat escaping from their buildings, use less

heating fuel, and therefore have more money to put in their pockets. H.520 will reduce Vermont's total greenhouse gas emissions, and yields more of our electric power from renewable sources including wind, solar, hydro, and biomass. This bill combats global warming and decreases our reliance on foreign oil, all while saving Vermonters money.

Education Spending and Quality

Vermont's public schools are consistently ranked among the top in the country. And we expect more from our schools than ever before. Schools now provide substance abuse prevention, harassment and bullying prevention, breakfasts, lunches, fluoride treatments, and warm clothing. Without these services children are not able to fully participate in learning.

In January legislative leaders and Governor Douglas agreed on a framework for containing property tax increases while maintaining Vermont's standard of school excellence. Legislators of all three parties disagreed with the governor's proposal to "cap" the rate of growth in school budgets primarily for two reasons; it would most constrain the lowest spending districts, potentially reversing the ten year progress that has been made in diminishing the divide between high and lowest spending districts, and it would compromise the value of every vote by requiring a super-majority vote. One day before the end of the session, an alternative approach surfaced. I voted against the alternative because it was not adequately reviewed by the public, and I thought we could find a better plan especially with the studies being done over the summer.

Under H.526, if a school district spends above the statewide average, AND the proposed budget contains an increase that is above the inflation index plus 1%, the budget will be voted in two parts. The change takes effect with spring, 2009 votes because there are other changes taking place this coming spring, 2008. The bill also affirms our commitment to enabling most Vermonters to pay their homestead school taxes based on their income.

There's an inherent tension in Vermont's system of funding schools. Voters determine Vermont school budgets at the polls or at town meeting, but the funds are raised entirely through state taxes, including the statewide education property tax. The more voters decide to spend per pupil, the more they pay in school taxes. The education spending per equalized pupil varies from a low of \$7,330 (the current base education spending grant) to \$13,000, indicating that voters make widely divergent choices for their schools. This fall, tax bills will include a chart that demonstrates the connection between per pupil spending and school tax rates and identifies how each district's spending compares to average spending per pupil.

The bill also examines state mandates, requires the negotiation of professional contracts at the supervisory union level, and changes special education reimbursement policy to encourage special education cost containment.

Transportation

The legislature address Vermont's growing transportation needs in the following areas:

Deteriorating infrastructure: Vermont's aging transportation infrastructure poses serious challenges to our small state. Currently, approximately about 25% of our roads are rated by VTrans to be in "very poor" condition. At our current rate of spending, in five years, 48% of our roads will be rated in "very poor" condition. The situation is no better for our aging bridges. The widening gap between the needs for transportation and the funds to address them are a growing concern for the legislature, and the subject of a legislative study committee.

Commitment to town programs – property tax relief: The House Transportation Committee increased funding for local road projects by \$2 million above the governor's recommended budget. This funding increase to towns will help reduce pressure on municipal property taxes since property taxes are the only way for towns to fund repairs to local roads and bridges.

Public Transit: Funding for public transit was also increased by \$2.3 million above the governor's recommended budget. This will help address the growing needs of our seniors, who need rides to hospitals, and will help update the aging bus fleet with cleaner burning buses.

Rail: Rail is moving forward this year on two fronts. VTrans is authorized to purchase five Colorado Rail cars for a demonstration project for the Amtrak service in Vermont, and the Vermont Rail Systems will purchase and operate the Twin State Rail Line, which runs freight service from St. Johnsbury to Gilman

Climate Change Initiative – Car Emissions Labeling: Legislation passed this session will require that all cars sold in Vermont (beginning with 2010 model cars) will have an emissions score card that shows a car's emissions of green house gases, and emissions contributing to smog. This information, like the mileage ratings, will help inform consumers to make more fuel efficient, cost effective, and environmentally friendly purchases.

Capital Bonding and Construction

The Capital Bill allocates state funds borrowed by issuing bonds. This money is invested in lasting productive assets for the people of the state. The \$49.2 million in financing for Fiscal Year 2008 is far less than needed, as there were requests for \$155 million for capital projects.

The final version of the Capital bill contains \$5.85 million for water pollution control and drinking water supply programs for municipalities. Over \$1 million is allocated to community grants for historic preservation, historic barns, cultural facilities, recreational and educational facilities, broadband, and human services.

The bill includes funding for the replacement of the state health and forensic labs that are essential for the health and safety of all Vermonters. It also provides for the construction of a proper state archive facility that will protect our most precious historical documents and important recent records.

Inadequate financing for school construction aid is a growing concern. We are unable to provide the state share of approved projects in a timely way due to the increasing number and

cost of projects and decreasing funding. The Education department's request was for \$33 million this year, while the Governor's recommendation was only \$9 million. In the final bill we were able to provide \$10.8 million for construction aid, emergency repairs, energy projects, and projects that extend the life of a building. The legislation includes a suspension of state aid to new school construction projects for one year. With certain exemptions, projects that did not have funding approved by voters before March 7th, 2007 will not be eligible for state aid. In January 2008 the Governor and the Department of Education are to report to the legislature on a strategy to fully fund school construction needs going forward. If no such plan is in place by July 1st, 2008, the suspension of state aid will be extended.

FY 2008 Budget Bill

The FY2008 budget is balanced, grows spending by 1.6% and fills the stabilization reserves for the general, transportation and education funds. A year that started with many challenges finished with a projection of surplus funds that we were able to focus on property tax relief in several different forms as well as meeting some one time needs.

This budget year began with several surprises. The "sick building" in Bennington required millions of dollars to pay for relocation of workers. The legislature decided to help struggling farmers by providing another \$3.0 in dairy subsidy. It came to light that the proper transfer had not been made to the education fund in last year's budget and that needed funding as well. On top of all that, revenues that had grown by 5% and more over the past few years were only growing by 1.5%.

This year's budget bill builds towards and secure and prosperous future for Vermonters. It makes the proper transfer to the Education Fund and funds the transfer needed to cover the mistake made last year. It addresses property tax pressures, provides funds to fill projected losses in revenues to the transportation fund, and provides money for some of the school construction projects that could not be paid for in the Capital Bill.

The following are some of the budget decisions that will provide for a more prosperous future for Vermonters:

- \$12M for Next Generation scholarships and workforce development initiatives
- Almost \$1M for the new Telecom Authority and the North Link broadband project for northern Vermont
- 3.5% increase in funding for Higher Education
- Many investments in economic development from \$350,000 for a new environmental engineering initiative to \$1.1M added money for tourism and marketing activities

The budget addresses property taxes in a variety of ways. In addition to the 5-cent reduction in education property tax rates recommended by the administration, money is provided for an additional 3-cent reduction and a possible 4th cent if revenues reach a \$38.5M surplus for

a total of 8 and possibly 9 cents. Funding for PILOT is increased by \$400,000 over the Governor's recommendation. A total of \$275,000 is available for grants to communities to map ancient roads. \$8M of surplus funds are provided to transportation both to fund town programs and to fill projected revenue shortfalls so projects won't have to be cut. An additional \$2-\$6.5M, depending on the size of the surplus, will relieve interest costs in communities with school construction projects.

The budget also addresses the explosive growth in our corrections system. The majority of the cut to juvenile justice is restored, funding is added for community justice centers, a large hole in the judiciary budget is filled and money is provided to address the caseload crisis for state's attorney and public defense in Chittenden County. Perhaps more important the legislature and the administration will work on several initiatives designed to reduce the incarcerated population.

Providing funds necessary to meet the needs of children and vulnerable populations is always challenging. The budget increases the child care subsidy by 3%, invests \$1.2M in community programs that serve these populations, provides \$700,000 for an initiative to help youth transitioning out of foster care and \$400,000 to help working families move out of poverty. The Medicaid budget is balanced and an additional \$5M per year is dedicated to addressing the projected deficit in the fund. Medicaid reimbursement levels are increased for physicians, dentists and hospitals.

Bus Idling

Each day, Vermont children race out of our schools to ride on a school bus. As the bus is loading and unloading, the driver may leave the bus engine idling. If so, the children, whose noses are at the level of the exhaust pipe, breathe in diesel fumes that are loaded with particulates and carcinogenic substances. The effects on children's health can be devastating.

The House and the Senate have passed a bill, S. 13, stating that subject to state board of education rules, the bus driver shall not idle the engine while waiting for children to board or exit the bus. Board rules will set forth circumstances that reasonably require the idling of the engine to ensure the health or safety of the driver or passengers or to operate auxiliary equipment.

S. 13 also states that nothing in the act or rules shall prevent a school district from adopting policies for other motor vehicles on school grounds, and asks the department to develop a policy that schools may adopt if they wish to do so.

Housing

Throughout the last biennium and during this year's session, the legislature has made affordable housing a priority. The General, Housing, and Military Affairs committee took extensive testimony and ultimately passed a bill to reduce lead hazards in housing. That bill is awaiting action next year by the Human Services and Ways and Means Committees in the House. Two mobile home bills passed the House: a bill to clarify the statute on the sale and closure of mobile home parks and to update our mobile home laws. A working group of housing

developers, housing advocates, planners, and environmentalists will meet through the summer and fall to develop recommendations for significant legislation that will lead to the creation of new, affordable housing for Vermonters. In addition, the legislature increased funding for the Vermont Housing Conservation Board funding (our primary vehicle for funding the creation of affordable housing) by 4.5 percent. This will be increased an additional \$2 million if property transfer tax revenues come in over forecast. Finally, the legislature increased funding for homeless shelters by \$150,000.

Corrections

Vermont's overblown prison costs are taking a toll. While we live in the one of the safest states nationally, and have a declining crime rate, the cost of prisons and jails is gobbling up more and more of our budget, without making society safer. Unlike the situation 15 years ago, when we invested twice as much in Higher Education than we did in Corrections, we now spend far more on prisons than we do on the University of Vermont, Vermont State Colleges, and college scholarships for Vermont students combined.

This is a huge, complex problem. It will take tremendous political will to swing back the pendulum. That's why so many legislators have been working behind the scenes to orchestrate something that is a rarity in Vermont politics – collaboration by all three branches of government. Speaker Symington, Senator Shumlin, Governor Douglas, and Chief Justice Reiber convened a group of 65 stakeholders to chart a new course to accomplish three goals: (1) make society safer, (2) reduce the number of people incarcerated, and (3) save taxpayer dollars. Vermont is working with the Justice Center from the Council of State Governments, which has helped several other states succeed in all three areas.

In addition to this big picture planning, the legislature this year mandated education classes for incarcerated 22-year-olds without a diploma, outlawed bringing tobacco into jails, limited inmates' ability to contact each other (to thwart possible gang formation), expanded the Corrections Oversight Committee, and called upon it to focus on the mental health needs of inmates.

Agriculture

Vermont's dairy industry has been in crisis because of climbing costs (fuel, feed, fertilizer—all being driven by energy costs) coupled with low milk prices that, on average in 2006, paid farmers only 41% of what they earned in 1980. Given this reality, the legislature's agenda for this session was (1) help dairy recover and return to profitability, and (2) help Vermont agriculture diversify.

Helping dairy recover was the first order of business when the session opened, as the legislature passed \$3.1 million in price milk price supports through a one-time payment in March. The legislature went on to pass the Agriculture Viability Act. The bill's major elements include:

- **Food and Dairy Procurement.** The bill directs the state of Vermont to establish a “buy local” system for food and dairy products purchased annually by the state and state-funded entities. It also establishes a program in the Agency of Agriculture to provide strategic and technical assistance to local producers and processors for creating or enlarging the facilities necessary to produce or process food for sale to the state or other expanded markets.
- **Poultry Inspection.** Currently farmers are allowed to slaughter, without inspection, fewer than a thousand birds for sale to individuals or at farmers’ markets, with Agency of Agriculture guidelines. This bill would extend the right to sell to restaurants as well. The Department of Health will promulgate the rules regarding a label for consumer knowledge and contains a menu disclosure requirement as well. This bill applies only to birds that are produced, slaughtered, and consumed in the state of Vermont.
- **Mobile Slaughter Establishments.** The bill authorizes the use of mobile slaughter establishments on farms or agricultural fairgrounds. To prevent pollutants from entering groundwater, the bill further establishes provisions to promote and encourage practices for farmers regarding animal waste management and disposal in relation to the mobile slaughter units.
- **Vermont Products for Vermont Schools.** The bill stipulates that when purchasing agricultural products for public schools, school officials responsible for purchasing food and dairy products shall purchase products grown or produced in Vermont when available.

The legislature also passed a bill that establishes a procedure for organizing and funding mosquito control in the state’s three mosquito control districts in addition to legislation to boost dairy prices.

The dairy bill establishes rules to boost the price paid to farmers for milk. It establishes a price over the federal milk order and it establishes a minimum producer price (the price paid to dairy farmers) that will cover the costs of hauling milk from the farm to the processing plant. While both of these mechanisms could boost the price of milk, they could also make Vermont milk more expensive than that of neighboring states, putting Vermont dairy farmers, cooperatives, and processors at a competitive disadvantage. The bill therefore delays implementation the legislation until other states enact comparable legislation.

Protecting our water resources

Vermont faces several challenges when addressing our water and natural resource needs: adequate funding for the Fish and Wildlife Department, safe groundwater, phosphorous pollution in Lake Champlain and protection of our rivers from stormwater.

Lake Champlain continues to be polluted by excessive amounts of phosphorous. Phosphorous is the nutrient that feeds the algae blooms and water plants that are choking certain portions of the lake. The legislature addressed this problem through two pieces of legislation. We

passed a ban on dishwasher detergents that contain phosphorous and we called on the Agency of Natural Resources to reopen the watershed clean up plan known as the Lake Champlain TMDL if the agency could not by next legislative session prove that the plan was adequate for the clean up.

Part of the problem in Lake Champlain is caused by in ground septic systems that do not work properly. This situation also affects lakes and rivers throughout Vermont. The legislature passed legislation that gave the state universal jurisdiction over all in ground septic systems and potable water supplies. This change will ensure that all systems are built to the highest standards to prevent unintended runoff from systems into the waters of Vermont. This is not only protection for our lakes and rivers but also protection for the health of our citizens. The new law allows for increased flexibility for the use of innovative in ground systems to meet the challenges of hard to perk land.

In addition, the legislature passed stormwater legislation that protects the ability of homeowners living in impaired watersheds to sell their property with a clean title. The situation of 'clouded title' has a long history going back several years to what is known as the Bianci decision by the VT Supreme Court. The legislature passed legislation creates a two-year period of protection of title until the ANR has issued a watershed improvement plan and general permit for affected properties located in impaired watersheds.

Groundwater protection legislation has been stymied in the Senate but the House passed bill instructs ANR to prioritize areas in the state where groundwater mapping should get under way. Despite not passing the targeting legislation, the legislature did provide money to ANR through the budget to begin the process of mapping our most precious resource, our groundwater that 60% of Vermonters rely on for their drinking water.

The Fish, Wildlife and Water Resources Committee, of which I am a member, developed a bill that contains several imaginative ideas for increasing funding for the Fish and Wildlife Department. This bill will be the focus of public input between now and the next session of the legislature, with the hope that the legislature will pass a bill next year. The problem here is that license sales, the historic funding source for the Fish and Wildlife Department, have been declining nation wide and here in Vermont. More broad-based funding is needed if we are to have a strong Fish and Wildlife Department.

Working Vermonters

This year we passed legislation to assist three different groups of working Vermonters: members of the Vermont National Guard, tipped wage workers, and fire fighters.

Members of the Vermont National Guard will now be assured of 15 days leave from their regular employment for the purpose of attending guard training and drills. All permanent employees are entitled to return to their employment following call up from the Vermont National Guard. Pay and death benefits equivalent to federal guidelines are now authorized for those members of the guard who are called up on state duty. The legislature also increased tuition benefits for Vermont National Guard members attending UVM.

An estimated 4,000 Vermonters serve as tipped wage workers in our hotels, motels, and restaurants. The House has passed legislation that increases the threshold used to consider who is a “tipped worker” from the current \$30 per month in tipped wages (the level established in 1957) to \$120 per month. We also added a cost of living increase to the current \$3.65 basic tipped employee minimum wage beginning in January 2008.

Obtaining workers’ compensation will become easier for Vermont fire fighters who contract cancer as a result of fire fighting. This benefit will be provided to fire fighters who pass an initial cancer free screening, have been non-smokers for at least 10 years, have worked for at least five years as a fire fighter, and are under the age of 65. The claim must be made within 10 years of exposure must result from certain specific cancers that have a direct link to fire fighting. The fire fighter is presumed eligible if the above conditions are present. Employers have the right to refute or contest the claim.

Farm to School

The Farm to School bill codifies into statute an extraordinary program that brings together the community, the classroom and the school cafeteria. It provides hands on resources such as equipment, training and materials, which enable innovative connections between local farmers, their products and local schools. It connects Vermont school children to their food source and expands their knowledge and awareness of our rural economy.

H. 91 names the farm to school grants for Representative Rosemary (Rozo) McLaughlin, who died in the fall of 2006. Her desire to bring good nutrition to local schools and to help Vermont farmers expand their markets led Rozo with the able help of Rep. Mitzi Johnson to develop the concept of the farm to school and she worked tirelessly to bring these groups together to make an idea a reality. Her hard work, advocacy, and diligence make it right and fitting that we name this signature legislation for her.

The Compassionate use of Marijuana for Medical Purposes

Too many Vermonters experience serious illnesses and conditions that have severe chronic and debilitating symptoms associated with them. The legislature has previously recognized that there is a legitimate, compassionate use of marijuana for certain medical purposes. In 2004 Vermont began to allow patients with certain illnesses to be exempt from prosecution for possessing and using marijuana to relieve symptoms related to their illnesses. They heard from the law enforcement community that the law had worked well and there had been no problems resulting from its implementation.

This year the legislature made some changes to that law. The eligibility for the exemption from prosecution will now be based on the existence of severe symptoms rather than on a particular diagnosis. As part of the application for the exemption, there still must be verification from the patient’s physician that the patient meets the criteria for the exemption. Since many Vermonters living near the borders get medical care from providers in neighboring states, the changes will allow patients using this law to have that verification come from a

physician licensed in New Hampshire, Massachusetts or New York, as well as Vermont, as long as the physician is in good standing according to the Medical Practice Board in that state.

Patients will be allowed a small increase in the number of plants they may have, so that they will not have to make illegal purchases to have enough marijuana to relieve their symptoms. Patients must still apply for the exemption each year, but the application fee has been reduced. With this law, seriously ill Vermonters can relieve intolerable symptoms without risking prosecution to do so.

Pre-Kindergarten Education

By passing the pre-kindergarten bill, the legislature re-affirmed its commitment to helping our children enter school prepared to succeed. The academic benefits of pre-K are well established: with the benefit of pre-K education, children are more prepared to learn when they enter school. Pre-K also represents a significant fiscal benefit for our state. Studies consistently demonstrate that when children arrived in kindergarten well prepared, the cost of special and remedial education goes down.

This bill represents a tri-partisan compromise that includes a cap enrollment that currently does not exist. This cap limits the number of pre-school children that school districts may count. This cap both recognizes the value of pre-K to our communities while acknowledging the need to control education spending.

Nothing is more important to that goal than making sure that all of our children, regardless of income, have the opportunity to succeed in school and in life. The passage of this bill is an important step in ensuring that happens.

Services for transition age youth

The legislature recognizes the difficulties faced by young Vermonters who currently must leave foster care at the age of 18. Many find themselves with no reliable permanent connections and no one to help them in the transition to adulthood. Youth aging out of foster care are more likely to become homeless, have lower high school graduation rates, are more likely to be unemployed, and are more likely to be incarcerated. They are also more likely to have substance abuse and mental health issues and are more likely to become parents at an early age.

H.449 aims to counteract those possibilities by supporting a gradual transition from childhood to adulthood, and encouraging greater independence while also providing guidance and support. It is important that these youth become healthy, productive members of our communities. H. 449 will allow youth between the ages of 18 and 22 to elect to receive some foster care services if they are in an educational or vocational program or are employed.

Next year we will look for ways to address the transition needs of youth with functional developmental disabilities and youth with severe emotional disturbances.

Workforce Training and Development

Vermonters believe in education for its own inherent value, but we invest in it because it is the path to productive and meaningful jobs and careers. This year, the legislature passed important legislation that supports education and training for all Vermonters -- youth at risk, students in academic and technical education, college bound youth, and adults of all ages seeking to transition into new jobs and careers. H. 433, An Act Relating to the Next Generation Initiative of Workforce Development Through Workforce Development Programs and Internships, provides increased grant and scholarship aid for college tuition, loan repayment in the health care field, new internship and career awareness activities for high school and college students, and job-specific training for recent graduates and adults.

Vermont employers are expressing an urgent need for a qualified and available workforce. We are told that literally thousands of jobs sit vacant, and that businesses are unable to proceed with desired expansions due to a shortage of qualified applicants for the new positions that would be created. Yet, at the same time Vermont graduates and others are saying that they cannot find work. This important legislation addresses this disconnect and fills several significant gaps: the gap between higher education and one's ability to pay for it; the gap between traditional academic education and real job-readiness upon graduation; and the gap between an individual's current job skills and those needed for another job.

Scholarship and grant funds can be accessed through VSAC, UVM and the state colleges. Funds for internships will be released as grants to high schools, colleges, tech centers, businesses and business groups, and non-profits. Interns will gain actual work experience with Vermont employers. Training programs will get individuals directly into jobs, and will provide our businesses with the needed trained workforce. Information about these and other related programs can be obtained from the Vermont Department of Labor at 828-4000. Scholarship questions should be directed to VSAC at 1-800-642-3177 and the individual colleges. Loan repayment information can be obtained from the Area Health Education Center (AHEC) at 656-2179.

Vermont's economy depends on an excellent education and training infrastructure. Vermonters deserve opportunities to prepare themselves for meaningful work and careers. We are proud that we have been able to significantly advance these interests.

Prescription Drugs

This year, the legislature passed several bills to help ensure the success of the sweeping health care reforms passed in the last legislative session. One key bill, S.115, An Act Relating to Increasing Transparency in Prescription Drug Pricing and Information, directly addresses the fastest rising health care spending sector, prescription drugs. On average, each Vermonter spends \$1,000 on prescriptions annually, of which 38% is out-of-pocket.

S.115 regulates Pharmacy Benefit Managers, drug marketing, prescription drug "data mining," and will lower prescription drug costs. It includes a Pharmaceutical Manufacturers Fee

that raises over a half a million dollars to fund its cost containment provisions. These include: academic detailing, generic status notification, and a Generic Sample Pilot Program. All told, the opportunities for savings are in the millions of dollars annually.

One notable feature of the bill is that Vermont will now be the second state to rein in “data-mining.” This is the practice whereby large data collection companies buy data from pharmacies, the American Medical Association, and others. They combine and reformat the data, and sell it to pharmaceutical companies. This detailed data includes the prescribing history of individual doctors. The drug companies use the data to devise sophisticated marketing plans customized to individual doctors.

Through testimony from doctors and the Vermont Medical Society, we learned that doctors are largely unaware that their prescribing information is being bought and sold, and many had concerns over privacy. We heard from doctors who were feeling intimidated, coerced, and manipulated by the drug sales people into prescribing expensive name-brand drugs. The Vermont Medical Society passed a Resolution stating that they would like “data-mining” to stop.

The “detailers” (salespeople) share only one-sided clinical information about their drugs, with no mention of any unfavorable clinical studies. As a result, many Vermonters are prescribed expensive, name brand drugs that may not be as effective or as safe as generics. Once someone starts on an expensive maintenance drug, they are likely to remain on it for years and years.

Under S.115, doctors can choose to opt into sharing their data, but otherwise, individual doctors’ prescribing history will be off-limits to “data miners.” The bill also creates a generic sample program, whereby doctors can start off patients on generics. This is important, because people tend to stick with the maintenance drug they are started on. This is why “detailers” give out brand name samples to doctors, but not generics. The bill also contains a program to provide doctors with unbiased clinical information about drugs, should they choose to participate. This bill will increase drug pricing transparency, improve health, and save Vermonters money. It is yet another important step in overall health care reform for Vermont.

Affordable Health Care for All

Legislative work on health care this year has focused primarily on ensuring the success of the health care reform measures passed in 2006. These reforms, address three major health care concerns: they control sky-rocketing health care costs, increase access to health care for the uninsured, and improve health care quality.

Vermonters can begin signing up for Catamount this August, with coverage to begin in October. Catamount Health will provide a comprehensive set of health services, with the premium depending on income. To find out if you qualify for Catamount, go to <http://hcr.vermont.gov> or call 1-800-250-8427.

Next session the legislature will turn more attention to how to make insurance more affordable for those who currently have insurance but are paying too much. This work will begin this summer and fall with the Health Care Reform Commission.

Rural Economic Development

The legislature continues its focus on economic development throughout Vermont. Several important initiatives invest in our future.

- A new **telecommunications authority** aims to bring up to date broadband and wireless communications to currently unserved Vermonters. The authority will coordinate private and public efforts through funding and expertise. Broadband and modern communications will allow Vermont's small businesses to market their goods and services internationally, support the increasing work at home sector and promote public safety and health care delivery.
- A **next generation workforce development** bill will support job creation and job improvement. Employers are looking for better workers and Vermonters are looking for better jobs. Young people finishing their education need good salaried positions in order to stay in Vermont. The bill encourages innovative approaches to workforce training and sets the Secretary of Labor as the leader and coordinator of statewide efforts. The measure encourages youth career opportunities by supporting internship programs, employment and educational opportunities for high school students and new scholarship support for college education. Businesses, private and public educational institutions and not-for-profits will be able to apply for support for these efforts.
- The legislature also revitalized **Vermont's Job Start Program**, which was established by Governor Richard Snelling in the seventies. It is a loan and technical assistance program for low income Vermonters who want to start businesses. In the eighties the program was moved from the Office of Economic Opportunity to the Vermont Economic Development Authority. Recently VEDA and the job start board decided it was time for a fresh look at how to best run the program. The legislature made the necessary changes in statute for Job Start to be administered by a non-profit community development lender with extensive experience and statewide presence. The program will continue to be evaluated by and accountable to the legislature through the Office for Economic Opportunity. We expect the loans and technical services to small and start-up businesses to increase.
- In **agriculture** the legislature passed several measures. Dairy farmers will see a premium payment for milk when prices fall. Also the cost of trucking the milk from the farm may be paid by milk purchasers rather than farmers. This is a regional effort as these steps will be enacted if similar measures are enacted in nearby states. The legislature also helped dairy farmers through the farm crisis this last winter of low prices, bad weather and high fuel costs with a special one-time appropriation. The legislature also supported mobile slaughterhouses to help farmers process poultry. Farmers will be able to sell limited amounts of uninspected poultry to restaurants as well as at farmers markets and at the

farm with strict labeling requirements and noticing on menus. The state will also use its purchasing power through better buy local efforts that should help producers and processors; work on developing in-state dairy processing facilities; undertake workers compensation and farm safety initiatives; study a farm energy purchase program for farm produced power and coordinate work on farm labor issues between the Department of Labor and the Agency of Agriculture

- Local **wine-makers** will be able to acquire licenses to offer wine-tasting at farmers' markets. Also, Vermont's **micro-brewers** will be able to better market their specialty malt liquors similar to wines by extending their sales to beer outlets as well as liquor stores.
- The **energy bill** offers great promise to construction trades and environmental technology developers through incentives for energy efficiency measures, weatherization, and alternative green energy development in bio-mass, hydro, solar and wind.
- The House passed several resolutions supporting rural economic development. **HR22**, authorizes the Speaker to appoint a legislative summer working group to develop legislation for next session related to forestry. Forests cover over 75% of Vermont and are critical to our economy. The resolution identifies access to capital, the operation of the workers' compensation system, curbing the parcelization of Vermont land, reviewing the operation of the current use program, modernizing and opening more wood mills, using more low-quality wood for energy production and to reduce carbon emissions, and other topics related to the future of Vermont's forests. **J.R.H.42** recognizes the economic importance of farmers' markets to villages and downtowns and to diversified agriculture. **H.R. 26** relates to the federal "fast track" process of congressional review of international trade. The state of Vermont benefits greatly from international trade, which is responsible for a greater percentage of its gross state product than is the case for any other state. The resolution calls on Congress to assure that state and local values are accorded due consideration and respect and to not approve reauthorizing "fast track" in its current form.

Vermont State Hospital

The Vermont State Hospital (VSH) has been an area of legislative and public concern for some time. Over the last ten years, the state has put resources into building a community system to care for our friends, families and community members who struggle with mental health difficulties. While we have built a community system that has some true assets, the State Hospital, now for our most acute patients, has suffered from serious neglect. The difficulties with quality of care at VSH has been recognized by Medicaid in their desertification of the hospital, (costing the state about \$9 million annually) and the Department of Justice who found that we had violated patients civil rights here in Vermont. We have known about the problems at VSH for three and a half years now, yet the administration tells us that it will take more time to correct these problems at the hospital.

At the same time, we continue to look at options for replacing the services currently delivered at VSH. While the publicized option of building more psychiatric capacity at Fletcher Allen Health Care, is supported by many advocates for quality inpatient psychiatric care, the legislature needs to evaluate all available options. We have hired our own team of consultants to assist us in answering addressing many important issues including sustainability, cost, quality, staffing, size, federal funding options and location to name a few.

Highway Safety

The House passed S.133 a comprehensive highway safety act. The bill was comprised of a number of House bills that the House Judiciary Committee passed as a comprehensive response to disturbing fact that non-alcohol related highways deaths have increased and are the number one killer of our youth. In 2006, 15 of the 88 highway fatality victims were between the ages of 16-19. Highlights of the bills are:

1. Nighttime restrictions for junior operators: This section provides a nighttime restriction of midnight to 5 AM for junior operators with work and school related exceptions. Vermont is one of 6 states that does not have nighttime restrictions for junior operators. According to the National Safety Transportation Board, nighttime driving restrictions have reduced crashes during the restricted time by 60 percent.

2. Prohibition of the use of cell phones by junior operators. Testimony overwhelmingly showed that teens, driving and cell phones are a dangerous mix due to teen's vulnerability to distractions and accidents. We know that junior operators are disproportionately vulnerable to accidents and that with each distraction, the rate of a crash increase 4 times.

3. Hands-free Only for Adults: While cell phones are a fact of for many drivers, if you talk on a cell phone while driving, you are four more times likely to get into a serious crash. We heard testimony that driving while talking on a cell phone is similar to driving while under the influence.

Six other states have hand-held cell bans, including NJ, CT and DC. Hand-held phones are banned in most European countries. Senator Doyle asked on his most recent poll if cell phones should be banned. 68% of the 10,000 Vermonters who responded said yes to a total ban. This section doesn't go quite that far, but limits use to hands-free.

4. Primary Enforcement for Seatbelts: Testimony from law enforcement officers, public health workers, and EMT's all stressed the need for failure to wear a seatbelt as a primary offense.

The bill is now in a committee of conference. It has met resistance from the Senate. I recommend that you contact your senators and ask them to support S.133 so that we can prevent unnecessary deaths and save the lives of our youth.