Journal of the House

SPECIAL SESSION

Tuesday, June 2, 2009

In accordance with the call for a Special Session by His Excellency, the Governor, the members of the House of Representatives convened at the State House in Montpelier on the second day of June, in the year of our Lord, two thousand and nine.

At ten o'clock in the forenoon, Honorable Shapleigh Smith, Speaker, called the House to order. Devotional exercises were conducted by the Speaker.

Governor's Call for Special Session

"PROCLAMATION

CALL FOR A SPECIAL SESSION OF THE VERMONT GENERAL ASSEMBLY

I, James H. Douglas, Governor of the State of Vermont, by virtue of the authority vested in me by the Constitution, find it necessary to call together the Vermont General Assembly, and I do hereby summon the members of the Senate and House of Representatives to meet in their respective chambers in the State House, together with the officers of the two Houses, on Tuesday, the second day of June, A.D., 2009, at 10:00 in the forenoon, for the purposes of making appropriations for government for fiscal year 2010 and taking actions to strengthen the State's economy.

Witness my hand hereunto subscribed and the Great Seal of the State of Vermont hereunto affixed at Montpelier, this fifteenth day of May, A.D., 2009.

/s/ James H. Douglas
Governor

By the Governor
/s/Heidi M. Tringe
Secretary of Civil and Military Affairs"

Pledge of Allegiance

The Speaker led the House in the Pledge of Allegiance.

House Resolution Adopted

H.R. 1

House resolution, entitled

House resolution relating to adoption of rules to govern the Special Session of 2009

By Reps. Nease of Johnson and Komline of Dorset

Resolved by the House of Representatives

That the rules of the House of Representatives in effect on May, 9th, 2009, be the rules of this Special Session of 2009 except for the following additions thereto:

Rule 40A. Bills and resolutions to be placed on the Calendar for notice and subsequent action shall comprise solely those bills and resolutions consisting of new matters introduced during the Special Session. Bills or resolutions may be introduced during this Special Session only with the consent of the Committee eon Rules. Upon adjournment sine die of the Special Session all such matters contained in these new bills and resolutions not enacted into law shall terminate automatically and be of no further force and effect and shall not be pending upon the convening of the General Assembly in January, 2010, for the continuation of the 2009 session.

Notwithstanding any other provision of these rules, upon recommendation of the Committee on Rules, the House may take up, for action, any and all matters considered during the first session of the 2009 biennium specifically including consideration of any items vetoed by the Governor such as H. 441 (Budget) and H. 436 (VT Yankee decommissioning).

Which was read and adopted.

House Resolution Adopted

H.R. 2

House resolution, entitled

House resolution designating August 6, 2009 as Nuclear Disarmament Day

Offered by: Representatives Wizowaty of Burlington, Botzow of Pownal, Deen of Westminster, Donovan of Burlington, Masland of Thetford, Minter of Waterbury, Pellett of Chester, Ram of Burlington, Shand of Weathersfield, Sharpe of Bristol, Spengler of Colchester, Stevens of Waterbury and Weston of Burlington

Whereas, 64 years have passed since the United States dropped the first atomic bomb on the civilian population of Hiroshima, Japan, on August 6, 1945, resulting in 100,000 deaths, and

Whereas, on July 8, 1996, the International Court of Justice concluded that "the threat or use of nuclear weapons would generally be contrary to the rules of international law applicable in armed conflict" and that "there exists an obligation to pursue in good faith and bring to a conclusion negotiations leading to nuclear disarmament in all its aspects under strict and effective international control," and

Whereas, the United States has an unfulfilled obligation under Article VI of the Treaty on the Non-Proliferation of Nuclear Weapons to conduct negotiations on nuclear disarmament in good faith, and

Whereas, our nation currently has a President who has stated that, as the only country ever to have used a nuclear weapon, the United States has a moral responsibility to lead us to a world without nuclear weapons, and

Whereas, communities around the world will observe August 6, 2009 as an opportunity to reflect upon the consequences of using nuclear weapons and to press for their elimination, now therefore be it

Resolved by the House of Representatives:

That this legislative body designates Thursday, August 6, 2009 as Nuclear Disarmament Day, and be it further

<u>Resolved</u>: That the Clerk of the House be directed to send a copy of this resolution to the Peace and Justice Center in Burlington and to the Vermont Congressional Delegation.

Which was read and adopted.

Joint Resolution Adopted

J.R.H. 1

Joint resolution relating to concurrent resolutions during the 2009 Special Session of the general assembly

Offered by: Committee on Rules

Whereas, Rules 16a–16d of the Joint Rules of the General Assembly provide for the adoption of concurrent resolutions "that express sentiments of congratulations, commendations, condolences, or the like and do not address matters related to public policy," and

Whereas, in accordance with Rule 16b, two legislative days are required for the adoption of a concurrent resolution, and

Whereas, the duration of the 2009 special legislative session is uncertain, now therefore be it

Resolved by the Senate and House of Representatives:

That for the 2009 Special Legislative Session, Rule 16b of the Joint Rules of the Senate and House of Representatives is amended to read:

16b. Upon introduction, if not treated as a bill, the full text of concurrent resolutions shall be published on the calendar of the legislative body where introduced on the legislative day of introduction. The resolutions shall be considered as adopted, and transmitted to the other body, unless a member of the body requests consideration by the entire body prior to the adjournment on the following legislative day of introduction.

Was taken up and adopted on the part of the House.

Joint Resolution Adopted

J.R.H. 2

Joint resolution authorizing the 2009 Girls' State civic education program to use the state house

Offered by: Representative Jewett of Ripton

Whereas, studying the state government and how it works requires far more than reading a textbook, and

<u>Whereas</u>, participating in mock simulations of the legislative process and other governmental activities enables students to gain insight and perspective on the operation of state government, and

Whereas, the American Legion Auxiliary sponsors the Girls' State program to enable young women attending high school to examine issues and reconcile conflicting public policy options in the same way as do members of the general assembly, and

Whereas, a highlight of the annual Girls' State education curriculum is a day at the state house, which includes committee meetings that hear lobbyist testimony and deliberation in the wells of the house and senate, and

Whereas, this highly worthwhile day of high school students' studying life under the golden dome on a first-hand basis will occur this year on Wednesday, June 24, 2009, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly authorizes the Girls' State civic education program to use the house and senate chambers and committee and meeting rooms in the state house for its mock legislative sessions and related activities on Wednesday, June 24, 2009 from 8:00 a.m. until 4:15 p.m., and be it further

<u>Resolved</u>: That the Secretary of State be directed to send a copy of this resolution to the American Legion Auxiliary of Vermont in Montpelier.

Was taken up and adopted on the part of the House.

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Dennise Casey, Secretary of Civil and Military Affairs, as follows:

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the first day of June, 2009, he returned without signature and vetoed a bill originating in the House of Representatives of the following title:

H. 441 An act making appropriations for the support of government

Veto Letter H. 441

"June 1, 2009

The Honorable Donald G. Milne Clerk of the House of Representatives State House Montpelier, VT 05633

Dear Mr. Milne:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning H.441, *An Act Making Appropriations for the Support of Government*, without my signature because of my objections described herein.

The task of building a balanced, responsible and sustainable budget that addresses the needs of Vermonters and their ability to afford their government is the most important duty of the General Assembly. Today, we find ourselves in the midst of a global recession making this task more difficult than in previous years. The path we choose will have a dramatic effect on future years. We cannot and must not sacrifice fiscal prudence and long-term sustainability to patch together a budget that leaves Vermont and Vermonters exposed to the perils of this recession.

In a few short months my Administration will begin work on the fiscal 2011 budget and by this time next year, legislators will have again cast their votes on a spending plan. According to the Legislature's Joint Fiscal Office (JFO), H.441 will leave a \$67 million General Fund deficit that must be addressed at that time. Further, JFO estimates an even greater \$141 million deficit for fiscal 2012 – when federal stimulus dollars will no longer be available to help fill the hole. Together, the fiscal 2011 and fiscal 2012 deficits account for a staggering \$208 million shortfall if H.441 becomes law.

As early as January, when the American Recovery and Reinvestment Act (ARRA) was being debated in Washington, I warned of the risks of an over-reliance on federal recovery money. While these funds are intended to preserve services and avoid state and local tax increases, we cannot allow them to be an excuse to pass business-as-usual spending plans. Indeed, we are in unusual economic times.

I warned lawmakers that using federal money to pass a budget that keeps spending on an upward trajectory would lead to huge challenges when ARRA funds run out. Unfortunately, H.441 does just that. Under this budget, spending increases by over 3% – well above the current rate of inflation – using one-time federal stimulus money. Spending in human services grows by nearly \$150 million, or 5.6% – though we already have the most generous social safety net in the nation, according to a recent *New York Times* study.

I cannot support a budget that increases spending and, thereby, leaves such large shortfalls in future years, which Vermonters know will have to be filled by deeper cuts, higher taxes or a combination of both. And I cannot support a budget that shifts our challenges to tomorrow, when the consequences of our decisions will be even greater.

In addition to large deficits, the tax increases contained in H.441 compound the already significant struggles facing the people of our state. Vermonters are among the most heavily taxed people in the nation and it has often been observed that we have little capacity for higher taxes. Vermont native David Hale, a highly respected global economist, said in a recent news report that Vermont should, "... avoid tax increases that would undermine [the State's] ability to compete for jobs, compete for investment, compete for business." Yet, this budget asks Vermonters to contribute over \$26 million in higher taxes – \$9.3 million in higher income taxes on senior citizens, small business owners, farmers and loggers – from a combination of changes in how we tax capital gains, the elimination of the state and local tax deduction and other measures.

I support a change in our capital gains exemption to treat earned and unearned income the same for tax purposes. However, I have been clear that any proposal must be revenue neutral and used to lower our very high marginal income tax rates — not to support increased government spending. The Legislature's plan fails to meet this test as it does not use every dollar from changes to the capital gains exemption to lower income tax rates. Further, it does not exclude seniors who depend on capital gains in their retirement or farmers and loggers who take capital gains as a course of business. And it makes these changes retroactively, with no advance notice or warning, changing our tax structure after Vermonters have already made decisions about their money.

What is so concerning about these tax proposals is that many of the changes did not receive a public hearing and will result in consequences that many lawmakers, and most Vermonters, do not fully understand. Changes to the capital gains exemption and the elimination of the state and local tax deduction will hit small businesses and farms particularly hard. In fact, more than 2,000 businesses will see an average income tax increase of more than \$3,000. At a time when small businesses are struggling to make ends meet, these taxes will be devastating for them and their employees.

Changes to the estate tax are also worrisome. This tax increase will have a dramatic impact on Vermont agriculture. Farmers seeking to pass their farms to their loved ones may be forced to sell a large portion of the farm to pay the higher death tax.

The tax increases in H.441 are counter to Vermont's successful emergence from this recession. These increased taxes hurt those we depend on for a robust economic recovery – farmers, small businesses and working Vermonters. I will not support increased taxes on our people so that state government can grow at an unsustainable rate.

As Vermont seeks to emerge from this recession it is critical that we make serious investments in economic development. Unfortunately, the Legislature failed to act on important initiatives and investments that are needed to create jobs and ensure a quick and strong recovery. In this economic crisis, there is no greater social welfare program than a good-paying job to give a struggling family hope and economic independence.

Through ARRA, \$17.1 million was made available to Vermont for flexible uses from the State Fiscal Stabilization Fund (SFSF). Earlier this year, I proposed spending these funds, over a two-year period, exclusively on economic development initiatives as part of a program called *SmartVermont*. I

outlined a plan to spend the maximum amount available for fiscal 2010, \$11 million, and the remaining \$6 million in fiscal 2011. The SFSF dollars can leverage over \$150 million in economic activity and job creation. H.441 dedicates only \$4.1 million for job creation and, instead, uses \$4.4 million of this one-time money to fund ongoing expenditures of state government – building up base spending that will exacerbate our challenges in the coming years.

As we strive to bolster our economy and compete for jobs in the 21st century, we need a highly educated and trained workforce. In recent years we have made substantial investments to meet this objective. H.441, however, takes us backward in our efforts to provide workforce training and higher education opportunities to the people of our state. This budget reduces workforce training funds, jeopardizing up to \$7.2 million in federal stimulus funds, and zeroes out Next Generation scholarships for over 600 Vermont students – tomorrow's nurses, engineers, police officers and inventors. Approximately \$500,000 was cut from the Agency of Commerce and Community Development's Vermont Training Program, which will eliminate training opportunities for over 2,200 Vermonters and deny the state an important economic development tool.

H.441 also reduces funding for the Vermont Telecommunications Authority (VTA) by \$500,000 – effectively shutting down the VTA by September. I will not support a budget that leaves this important economic development work unfinished. To provide economic opportunities for Vermonters in every corner of our state, we must continue to work toward the goal of universal broadband and cell phone coverage by the end of next year.

This budget fails to address the significant deficits we face in our Unemployment Insurance (UI) Trust Fund. There is broad consensus that the need to address the downward trajectory of the fund is urgent. While employers are understandably concerned about increased unemployment insurance taxes, especially in these difficult economic times, they recognize that a balanced approach that also makes reasonable adjustments to benefits is in the best long-term interest of all Vermonters. Failure to take action leaves a \$160 million deficit in the fund by the end of next year. Vermont will be forced to borrow more money from the federal government that will have to be paid back with interest from the General Fund – placing another burden on the backs of Vermonters and Vermont businesses.

Any plan to address UI must be balanced and comprehensive. It is not enough to raise taxes on businesses and not make a reduction in our incredibly

generous benefits structure. While some have suggested that freezing the maximum weekly benefit is a good start, that will not be enough. We must ask benefit recipients to take a modest \$16 reduction in their maximum weekly benefit from \$425 to \$409, helping us begin to bend the curve and shore up this fund.

H.441 contains language that threatens the separation of powers among the branches of government and unduly burdens the Executive Branch as it carries out its constitutional responsibilities.

One of the most troubling language additions interferes with the relationship between the Administration and the Vermont State Employees Association (VSEA). Legislative micro-management impairs the State's ability to carry out the necessary work that Vermonters demand and deserve of their government.

H.441 prevents the Administration from implementing reductions in force without the approval of a legislative committee of 10, should negotiations be unsuccessful. It is the obligation of the Executive branch and its department heads to use their expertise and familiarity with their departments to manage the workforce and to make reductions in the least disruptive manner possible. The budget language impedes this responsibility to carry out the Executive's constitutionally-assigned function.

H.441 also requires the Administration to conduct an incredible 40 new studies and reports, more than double the 17 required last year. Each of these reports and studies requires hardworking state employees to take time away from the programs they administer and the people they serve. Additionally, there are 4 legislatively-led studies that will require a minimum of 15 legislators to continue their work into the summer. Not only do these reports and studies take staff away from more pressing work, but they will cost Vermonters tens of thousands of dollars.

In an effort to increase legislative control over the Vermont Housing and Conservation Board, language unrelated to the budget has been added that will change the composition of the board and eliminate economic development involvement. Such a policy change should be vetted through the normal committee process so that all legislators can understand the implications of this action.

Further, within these very sections is a provision that ostensibly became effective "upon passage by the house and senate." This is either a blatant disregard for, or a fundamental misunderstanding of, the Vermont Constitution

that requires, "[e]very bill which shall have passed the Senate and House of Representatives shall, before it becomes a law, be presented to the Governor..."

H.441 is a budget that fails the most basic test: it is not in the best interests of Vermonters. It needlessly increases taxes, it does not adequately address our economic development needs, and, perhaps most importantly, creates a more than \$200 million deficit in future years. For those reasons and others, I cannot allow H.441 to become law with or without my signature.

If this veto is overridden, legislative leaders shall carry the responsibility of this bill 's effects squarely on their shoulders. Because my Administration must begin work on the fiscal 2011 budget shortly and because we still must address a more than \$200 million deficit in the next two years, I will request from the Speaker of the House and the Senate President Pro Tempore their plan to address these shortfalls.

If this veto is sustained, I will continue to listen to the ideas and concerns of lawmakers so that we can find common ground to craft a compromise budget in the coming days that meets the very real needs of Vermonters.

Sincerely, /s/James H. Douglas Governor"

Governor's Veto Overruled; Rules Suspended and Bill Messaged to Senate Forthwith

H. 441

House bill, entitled

An act making appropriations for the support of government;

Taken up and pending the question, Shall the bill pass, the failure of the Governor to approve not withstanding? was decided in the affirmative on a roll call vote required by Chapter 2, Sec. 11 of the Vermont Constitution. Yeas, 100. Nays, 50. A two-thirds vote of 100 required.

Those who voted in the affirmative are:

Ancel of Calais Andrews of Rutland City Aswad of Burlington Atkins of Winooski Audette of South Burlington Bissonnette of Winooski Bohi of Hartford Botzow of Pownal Bray of New Haven Browning of Arlington Burke of Brattleboro Cheney of Norwich * Clarkson of Woodstock Condon of Colchester

Consejo of Sheldon Copeland-Hanzas of Bradford Corcoran of Bennington Courcelle of Rutland City

Davis of Washington

Conquest of Newbury

Deen of Westminster Donovan of Burlington Edwards of Brattleboro **Emmons of Springfield** Evans of Essex Fisher of Lincoln Frank of Underhill French of Shrewsbury French of Randolph Geier of South Burlington * Gilbert of Fairfax Grad of Moretown Haas of Rochester Head of South Burlington Heath of Westford Hooper of Montpelier Howard of Rutland City Howrigan of Fairfield Jerman of Essex Jewett of Ripton Johnson of South Hero Keenan of St. Albans City Kitzmiller of Montpelier Klein of East Montpelier Lanpher of Vergennes * Larson of Burlington Lenes of Shelburne

Leriche of Hardwick Lippert of Hinesburg Lorber of Burlington * Macaig of Williston Maier of Middlebury Malcolm of Pawlet Manwaring of Wilmington Marek of Newfane Martin of Springfield Martin of Wolcott Masland of Thetford McCullough of Williston Milkey of Brattleboro Miller of Shaftsbury Minter of Waterbury Mitchell of Barnard Mook of Bennington Moran of Wardsboro Mrowicki of Putnev Nease of Johnson Nuovo of Middlebury O'Brien of Richmond Obuchowski of Rockingham Orr of Charlotte Partridge of Windham Pellett of Chester Peltz of Woodbury

Poirier of Barre City Potter of Clarendon Pugh of South Burlington Ram of Burlington Rodgers of Glover Shand of Weathersfield Sharpe of Bristol Smith of Mendon Smith of Morristown South of St. Johnsbury Spengler of Colchester Stevens of Waterbury Sweaney of Windsor Taylor of Barre City Till of Jericho Toll of Danville Townsend of Randolph Trombley of Grand Isle Waite-Simpson of Essex Webb of Shelburne Weston of Burlington Wilson of Manchester Wizowaty of Burlington Young of St. Albans City Zenie of Colchester Zuckerman of Burlington *

Those who voted in the negative are:

Acinapura of Brandon Adams of Hartland Ainsworth of Royalton Baker of West Rutland Branagan of Georgia * Brennan of Colchester Canfield of Fair Haven Clark of Vergennes * Clerkin of Hartford Crawford of Burke Devereux of Mount Holly Dickinson of St. Albans Town * Donaghy of Poultney * Donahue of Northfield Fagan of Rutland City Flory of Pittsford

Greshin of Warren Helm of Castleton Higley of Lowell **Hube of Londonderry Hubert of Milton** Johnson of Canaan Kilmartin of Newport City Koch of Barre Town Komline of Dorset Krawczyk of Bennington Larocque of Barnet Lawrence of Lyndon Lewis of Derby Marcotte of Coventry McAllister of Highgate McDonald of Berlin * McFaun of Barre Town

McNeil of Rutland Town Morley of Barton Morrissey of Bennington * Myers of Essex O'Donnell of Vernon Pearce of Richford Peaslee of Guildhall * Perley of Enosburg Reis of St. Johnsbury Savage of Swanton Scheuermann of Stowe Stevens of Shoreham * Turner of Milton * Westman of Cambridge Wheeler of Derby * Winters of Williamstown Wright of Burlington *

Those members absent with leave of the House and not voting are:

none

Rep. Branagan of Georgia explained her vote as follows

"Mr. Speaker:

Preparation of a balanced sustainable and responsible budget is the most important task of the Legislature. The Governor vetoed this budget because H. 441 does not fit that definition.

I support the veto and am extremely concerned about the nearly \$200 million deficit it creates in 2011 and 2012."

Rep. Chency of Norwich explained her vote as follows

"Mr. Speaker:

I voted yes to support a budget that reduces income-tax rates for low and middle-income earners; to support a budget that includes millions of dollars in difficult cuts while maintaining the safety net of critical state services; and to support a budget that brings in new revenue without the disastrous shift to the property tax that would have cost Vermonters a great deal more."

Rep. Clark of Vergennes explained his vote as follows

"Mr. Speaker:

This budget increases spending and raises taxes on hard working Vermont families who can ill afford it. It is irresponsible and shameful to abuse their trust this way."

Rep. Dickinson of St. Albans Town explained her vote as follows

"Mr. Speaker:

Our job as Legislators is to build a budget that all Vermonters can afford and that will support the Vermont economy.

We must determine the best way to balance the costs of state services, the needs of our most vulnerable citizens, while recognizing the demands made on our struggling taxpayers and business community. I vote to sustain the Governor's veto and it is a vote for all of us to work toward a better budget that is reflecting the reality of Vermont's economy in the next few years. I think we can do better for hard working Vermonters."

Rep. Donaghy of Poultney explained his vote as follows

"Mr. Speaker:

At a time when state government should be reducing the cost of operations, like businesses and households throughout this state must, this budget increases the cost of government by 26 million dollars of taxpayers money.

At a time when Vermonters are hurting financially, this Legislature has the audacity to ask more from them. How Shameful!!

Rep. Geier of South Burlington explained his vote as follows

"Mr. Speaker:

I voted to override the Governor's veto because of what I heard last week at the public hearing. I want to thank the leadership for holding those two days of hearings, eight hours total where over 100 Vermonters spoke in favor of this bill. Only a handful spoke in opposition and those mostly calling for compromise.

I believe we are driving along the rim of a potential disaster. This vote requires us to begin work July 1st to assure we don't drive over the cliff."

Rep. Lanpher of Vergennes explains her vote as follows

"Mr. Speaker:

I vote yes today to uphold the budget passed by this body because, I believe this budget is in the best interest of Addison-3 by keeping a compromise holding taxes as low as possible, while providing the much needed services in this tough time for many citizens in my district. Thank you Mr. Speaker."

Rep. Lorber of Burlington explained his vote as follows

"Mr. Speaker:

We are all in the family car, and we are out of gas. We have to make it to the top of the hill. Everyone gets out of the car and pushes. Even Grandma. That's the budget before us.

Some argue, "don't ask Buddy to help, even though he's the strongest one in the car, because if we did, then Buddy might go to New Hampshire."

I voted yes to support the rules of the car, "less whining, more pushing."

Rep. McDonald of Berlin explained her vote as follows

I believe this was a session of lost opportunities. We had the time and should have had the willingness to work together to the benefit of the people we serve and to ensure and reinforce the economic viability of this State. I am very concerned that the future will now require more difficult decisions – deeper cuts and higher taxes.

Rep. Morrissey of Bennington explained her vote as follows:

"Mr. Speaker:

My vote to sustain today's veto represented my greatest wish for the legislature and the administration to go back to the table to iron out a sustainable and responsible budget for all Vermonters. My vote today does not represent my concern as to "the shift of power" in this building or who's posturing to run for Governor or Lt. Governor in 2010, as has been highlighted in headlines and newscasts across Vermont as what seems to be a top priority for some of my colleagues.

My vote today represents my concern for my constituents back home and for all Vermont taxpayers who are truly struggling in these tough economic times. Let's get back to the table for I do have faith that we can do this through further hard work and compromise from all sides."

Rep. Peaslee of Guildhall explained her vote as follows:

"Mr. Speaker:

I contend that for a nation (state) to try to tax itself into prosperity is like a man standing in a bucket and trying to lift himself up by the handle. – Winston Churchill."

Rep. Stevens of Shoreham explained his vote as follows:

"Mr. Speaker:

As town moderator I ask people to speak. As a mediator I ask people to listen. Last week I asked administration and legislative leadership to listen to each other. You, Mr. Speaker, gave it an honest effort in order to avoid this vote.

I want to thank you for that."

Rep. Turner of Milton explained his vote as follows:

"Mr. Speaker:

I vote to sustain the Governor's veto. The reason or the need for this vote today is very disappointing to me. The breakdown in negotiations between leadership and the administration has set up this showdown. A showdown that is politically motivated and definitely not in the best interest of our constituents. I feel that this breakdown is bad for Vermonters and bad for Vermont in general.

Further, I feel that this budget would have been improved if all parties would have negotiated in good faith and stayed at the table until the job was done. Compromise is the foundation of our government and is absolutely essential to

its continued viability.

Too much or too little power undermined the effectiveness of these negotiations and may have the potential for a very bad long-term effect on the process. I feel that this is the case with this budget bill. A point proven by the introduction of new language today, designed to correct the most obvious and serious problems with the bill approved by this legislature and subsequently vetoed by the Governor. My only hope is that this vote does not set a precedent or establish a tone for the next session and beyond. At this point in time, one of the most challenging economic periods in history, Vermont and all Vermonters in general need us to work together to solve our problems and to chart a course for the future of our state."

Rep. Wheeler of Derby explained his vote as follows:

"Mr. Speaker:

One way or another I am ready to move on to work for the good of Vermonters but I am saddened that the so-called public hearings were held in the middle of the week, in the middle of the day, when many Vermonters were too busy trying to make a living. I think that shows just how out of touch we in the legislature can be when it comes to understanding the lives of average Vermonters."

Rep. Wright of Burlington explained his vote as follows:

"Mr. Speaker:

Two roads diverged in a woods... one sent us down the road of overriding the Governor's veto. That road leads us to a steep cliff, a cliff that leads to fiscal instability and a budget that is not sustainable. The other road, sustaining the Governor's veto, led to compromise, what Vermonters expected. This process served some politicians well, but Vermonters poorly."

Rep. Zuckerman of Burlington explained his vote as follows:

"Mr. Speaker:

While this budget is not what I would have preferred, the alternatives, in every way, are worse. Further reliance on property taxes would only hurt our small businesses and our schools even more than this budget does. It is one thing to vote against this budget and complain, it is quite another to actually take ownership for the alternatives and their further impacts on hard working Vermonters. I also want to add that even with the new tax package, we are actually collecting far fewer revenues from Vermonters than last year."

On motion of **Rep. Komline of Dorset**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

Message from the Senate No. 1

Special Session

A message was received from the Senate by Mr. Marshall, its Assistant Secretary, as follows:

Mr. Speaker:

I am directed to inform the House that the Senate has assembled and ready on its part to proceed with the business of the Special Session.

The Senate has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon House bill of the following title:

H. 442. An act relating to miscellaneous tax provisions.

And has refused to accept and adopt the same on its part and has requested that a second Committee of Conference be appointed.

Pursuant thereto, the President has appointed as members of such Second Committee on the part of the Senate:

Senator Bartlett Senator Cummings Senator Snelling

The Senate has on its part adopted Senate resolution of the following title:

S.R. 4. Senate resolution relating to H. 125, An act relating of the sale of unpasteurized (raw) milk.

Message from the Senate No. 2

Special Session

A message was received from the Senate by Mr. Marshall, its Assistant Secretary, as follows:

Mr. Speaker:

I am directed to inform the House that:

The Senate has on its part considered the Governor's veto of a House bill of the following title:

H. 441. An act making appropriations for the support of government.

And has passed the same, the refusal of the Governor to approve notwithstanding.

Committee of Conference Appointed

H. 442

Pursuant to the request of the Senate for a Committee of Conference on the disagreeing votes of the two Houses on House bill, entitled

An act relating to miscellaneous tax provisions

The Speaker appointed as members of the Committee of Conference on the part of the House:

Rep. Ancel of Calais Rep. Heath of Westford Rep. Condon of Colchester

Recess

At twelve o'clock and thirty minutes in the afternoon, the Speaker declared a recess until three o'clock and thirty minutes in the afternoon.

At three o'clock forty-five minutes in the afternoon, the Speaker called the House to order.

Adjournment

At four o'clock and five minutes in the afternoon, on motion of **Rep. McDonald of Berlin**, the House adjourned until tomorrow at ten o'clock in the forenoon.