

Journal of the House

Wednesday, February 8, 2012

At one o'clock in the afternoon the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Rabbi Tobie Wiesman of the Yearning for Learning Center for Jewish Studies, Montpelier, VT.

Bill Referred to Committee on Ways and Means

H. 512

House bill, entitled

An act relating to banking, insurance, securities, and health care administration

Appearing on the Calendar, affecting the revenue of the state, under the rule, was referred to the committee on Ways and Means.

Joint Resolution Referred to Committee

J.R.H. 23

Joint resolution expressing deep concern over the growing inequality in wealth and income in Vermont

Offered by: Representatives Davis of Washington, Pearson of Burlington, Burke of Brattleboro, Edwards of Brattleboro, Fisher of Lincoln, Haas of Rochester, Lippert of Hinesburg, Masland of Thetford, McCullough of Williston, Moran of Wardsboro, Mrowicki of Putney, Poirier of Barre City, Sharpe of Bristol, Wizowaty of Burlington and Woodward of Johnson

Whereas, societal cohesiveness and unity is dependent on a set of common economic aspirations and a belief that all Vermonters have an equal opportunity to support themselves and their families in a dignified and sustainable manner, and

Whereas, Vermont's constitution, including the first prohibition of slavery and "common benefits" clause, highlights our commitment to basic human rights and equal opportunity, and

Whereas, some inequality is inevitable, but the disparity of wealth and income must not be so great as to provoke animus or despair, and inequality of historic proportions is also the result of conscious public policy choices that can be identified and reversed, and

Whereas, both the *New York Times* and Reuters news agency report that in America income inequality is now greater than it has been since the 1920s just before the Great Depression, and

Whereas, the Congressional Budget Office reported in October 2011 that the wealthiest one percent of the population more than doubled its share of America's income over the last three decades, and federal government policy encouraged economic disparity partly by shifting away from progressive income taxes, and

Whereas, Nobel Prize-winning economist Joseph Stiglitz has written in *Vanity Fair* magazine that the wealthiest one percent of Americans now receives one-quarter of the nation's income and controls 40 percent of its wealth, while those in the middle saw their incomes fall, and economist and former U.S. Labor Secretary Robert Reich reports at Salon.com that those in the bottom 90 percent of earners, if employed, today earn on average about \$280.00 more each year than 30 years ago, adjusted for inflation; a less than one-percent gain, and

Whereas, economist Emmanuel Saez, a 2010 MacArthur Foundation genius award winner, and economics professor at the University of California, Berkeley, co-authored a 2011 article in the *Journal of Economic Literature* entitled "Top Incomes in the Long Run of History," in which the writers documented that during the years 2002–2007, 65 percent of the total income growth in the United States was captured by the top one percent of income earners, and

Whereas, in September 2011, the United States Census Bureau reported that the median household income in the United States declined to 1996 levels, and Harvard University economics professor, Lawrence Katz, stated, "We think of America as a place where every generation is doing better, but we're looking at a period when the median family is in worse shape than it was in the late 1990s," and

Whereas, the Pew Charitable Trusts has published a report entitled "Economic Mobility of Men and Women," written by Julia Isaacs of the Brookings Institution that found the median income for men ages 30–39 actually fell by 12 percent between 1974 and 2004, from \$40,000.00 a year to about \$35,000.00 a year, inflation adjusted, and

Whereas, the Organization for Economic Co-operation and Development finds in a time line comparison from the mid-1980s to the late 2000s that the United States has the second highest Gini coefficient of income inequality increase, at almost 0.40 and second only to Mexico, and

Whereas, the Pew Charitable Trusts, in a report entitled “Chasing the Same Dream, Climbing Different Ladders: Economic Mobility in the United States and Canada,” states that sons of Canadian fathers in the bottom one-third of the earnings distribution are more likely to make it to the top one-half of the distribution in adulthood than are sons of comparably low-earning American fathers, and

Whereas, the research shows that income and wealth inequality has grown faster in Vermont than in the nation as a whole, and

Whereas, a University of New Hampshire study by Ross Gittell and Jason Rudokas reported that between 1989 and 2004, Vermont was one of the top five states ranked for increased income disparity, and

Whereas, according to the United States Census Bureau (Census), Vermont’s median household income dropped seven percent between 2008 and 2010, and

Whereas, on September 30, 2009, WCAX News reported that according to the Census, over the years 2007–2008, “Vermont had the biggest drop in household income” of any state in the country, and

Whereas, the Public Assets Institute found that in 2009, the median household income in Vermont was just two percent higher than it had been 20 years earlier, so after adjusting for inflation, a Vermont household in 2009 survived on nearly the same income as it did in 1989, and

Whereas, the U.S. Census Bureau’s American Community Survey for 2006–2010 found that in greater Burlington, the middle class is shrinking nearly 10 times faster than nearly anywhere else in the country, and

Whereas, a 2010 analysis by the University of Massachusetts Political Economy Research Institute found increasing inequality makes low and middle income households poorer, and even if the overall economy is expanding, prosperity does not trickle down; instead, the income of low and middle income households falls as income disparity rises, and

Whereas, growing economic inequality hurts us all because it deprives people of basic needs – housing, food, heat, and health care—and steals their dignity and hopes for the future, and because when incomes drop and people are out of work, they cannot pay their bills or generate tax revenues, instead relying on social programs and putting pressure on the state budget, and

Whereas, this hurts local businesses because businesses need customers, and people cannot spend money they do not have, and because increasing inequality undermines the potential for a real economic recovery, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly expresses its awareness of and deep concern over the growing inequality in wealth and income in Vermont and its impact on Vermont families and our Vermont economy, and be it further

Resolved: That the General Assembly is committed to reducing income and wealth inequality by rejecting policies that increase disparity and to supporting policies that close the wealth and income gap and increase economic opportunities for all Vermonters.

Which was read and, in the Speaker's discretion, treated as a bill and referred to the committee on General, Housing and Military Affairs.

Joint Resolution Adopted in Concurrence

J.R.S. 44

By Senators Carris and Mullin,

J.R.S. 44. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Thursday, February 9, 2012, or, Friday, February 10, 2012, it be to meet again no later than Tuesday, February 14, 2012.

Was taken up read and adopted in concurrence.

**Committee Relieved of Consideration
and Bill Committed to Other Committee**

H. 699

Rep. Klein of East Montpelier moved that the committee on Natural Resources and Energy be relieved of House bill, entitled

An act relating to scrap metal processors

And that the bill be committed to the committee on Commerce and Economic Development, which was agreed to.

Bill Read Second Time; Third Reading Ordered

H. 752

Rep. Deen of Westminster spoke for the committee on Fish, Wildlife & Water Resources.

House bill entitled

An act relating to permitting stormwater discharges in impaired watersheds

Having appeared on the Calendar one day for notice, was taken up, read the second time and third reading ordered.

Adjournment

At one o'clock and thirty minutes in the afternoon, on motion of **Rep. Savage of Swanton**, the House adjourned until tomorrow at one o'clock in the afternoon.