



STATE OF VERMONT
GENERAL ASSEMBLY
HOUSE COMMITTEE ON FISH, WILDLIFE
AND WATER RESOURCES

MEMORANDUM

To: Janet Ancel, Chair, House Committee on Ways and Means
From: David Deen, Chair, House Committee on Fish, Wildlife and Water Resources
Date: February 26, 2015
Subject: Committee Recommendations on H.35 Revenue Provisions

The House Committee on Fish, Wildlife and Water Resources has taken another look at the revenue provisions of H.35 in light of the Joint Fiscal Office's estimate of approximately \$17.5 million raised by the bill in FY16.

It is the Committee's desire to keep the total revenue in the bill to approximately \$13 million, and based on the projection by JFO, the FW&WR Committee would like to recommend a change in the revenue package we included as part of the bill.

The Committee recommends that the increase on the State meals, rooms and alcohol tax be lowered from 0.5% to 0.25%. This action would lower the new meals, rooms and alcohol tax revenue in FY16 from approximately \$8.4 million to approximately \$4.2 million and would bring the total revenue raised by the bill to approximately \$13.2 million.

The provisions dealing with the meals, rooms and alcohol tax increase would still sunset on July 1, 2018, at which time the rate is reduced to the pre-increase level and 100% of the revenues from this tax would be allocated to the General Fund. Since this tax applies to those who benefit from a clean environment, these fees are consistent with our goal that "everybody is in." In addition, significant portions of these taxes are paid by non-Vermonters.

The Committee recommends on a split vote that the Ways and Means Committee approve the Department of Environmental Conservations proposed fee increases at the level in the bill as it passed out of the Fish, Wildlife and Water Resources Committee. Since these fee increases touch on those who would discharge to our waters, these fees are consistent with our goal that "everybody is in."

The Committee recommends that the Agency of Agriculture Food and Markets permit and registration fees remain at the same level in the bill as it passed out of the Fish,

Wildlife and Water Resources Committee. Since establishing these fees apply to the agriculture sector, these fees are consistent with our goal that “everybody is in.”

The committee left its recommendation on the gas tax increase at 2 cents per gallon. Since this tax would be used to address the costs of controlling roadway stormwater, this tax is consistent with our goal that “everybody is in.” It puts some of the costs of addressing stormwater runoff coming from roads on those that use the roads.

The Committee left in place the provisions that determine where the funds raised would be expended as was in the bill that passed out of the Fish, Wildlife and Water Resources Committee.

Thank you in advance for your consideration.