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S.18 Model State Consumer Justice Enforcement Act House Judiciary Committee

Wendy Knight
Commissioner, Tourism & Marketing, Agency of Commerce and Community Development
Vice Chair, Vermont Outdoor Recreation Economic Collaborative
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Outdoor recreation is a major economic driver of the State's \$2.8 billion tourism economy, and a primary reason why 13M people visit the state each year, why young professionals relocate to Vermont, and why Vermonters choose to remain in the state. It is also a policy priority of the State to encourage outdoor recreation and grow our outdoor industry. Governor Scott created the Vermont Outdoor Recreation Economic Collaborative (VOREC) to leverage the State's exceptional outdoor recreation assets to boost our economy, encourage participation in outdoor recreation, and strengthen stewardship of our natural resources.

As such, we appreciate the work of the Senate Judiciary Committee in ensuring an exemption for outdoor recreation in S.18 and are grateful to the House Judiciary Committee for preserving that exemption.

However, since S.18 affects more sectors than the outdoor recreation industry, the Agency of Commerce and Community Development remains concerned certain about provisions in the bill. Standard form contracts are used extensively in most industries, including Vermont's burgeoning tech industry. The Committee has heard from the Vermont Tech Alliance and various Vermont-based technology companies. We echo their concerns about S.18, specifically the following sections that would affect any Vermont company that uses a standard form contract.

9 V.S.A. 6605(a)(1). The inconvenient venue language could be used as precedence to force Vermont companies engaged in online commerce to resolve legal matters or defend themselves in inconvenient venues, not Vermont. Imagine a plaintiff's attorney in South Dakota using Vermont law as a basis to compel a Vermont company to defend itself against a claim in South Dakota instead of its home state of Vermont. Now imagine a Vermont company having to defend multiple lawsuits from consumers across several states... not in Vermont but in multiple states across the country.

9 V.S.A. 6605(a)(2). This is too broad and unnecessary, as common law UCC jurisprudence allows for claims and remedies.

In trying to protect Vermont consumers, we are concerned that S.18 as written might potential harm Vermont companies that employ Vermonters. Our demographic trajectory compels us to pursue policies that grow our tax base. Making Vermont a welcoming place-- not just to visitors and workers but also to Vermont companies-- is critical for our economic vitality. Making it challenging for Vermonters to own and operate businesses in Vermont is counter to the imperative to grow our economy. We recommend striking both 6055(a)(1) and 6055(a)(2).

Respectfully submitted,

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