

1 H.157

2 Introduced by Representatives Bluemle of Burlington and Stevens of

3 Waterbury

4 Referred to Committee on

5 Date:

6 Subject: Legislature; Joint Fiscal Office; livable wage

7 Statement of purpose of bill as introduced: This bill proposes to create a
8 technical advisory committee to update the methodology used to calculate the
9 Vermont livable wage and to recommend changes to the statute governing the
10 calculation of the Vermont basic needs budget.

11 An act relating to the Vermont basic needs budget

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 ~~Sec. 1. BASIC NEEDS BUDGET TECHNICAL ADVISORY COMMITTEE,~~

14 REPORT

15 (a) Creation. The Basic Needs Budget Technical Advisory Committee is
16 created to update the methodology utilized in calculating the basic needs
17 budget pursuant to 2 V.S.A. § 526.

18 (b) Membership. The Committee shall be composed of the following
19 members.

1 ~~(1) two current members of the House of Representatives, not all from~~
2 ~~the same political party, who shall be appointed by the Speaker of the House;~~

3 ~~(2) two current members of the Senate, not all from the same political~~
4 ~~party, who shall be appointed by the Committee on Committees;~~

5 ~~(3) the Director of the Vermont Department of Labor Division of~~
6 ~~Economic and Labor Market Information or designee;~~

7 ~~(4) the Secretary of Human Services or designee;~~

8 ~~(5) one member, appointed by the Vermont Sustainable Jobs Fund;~~

9 ~~(6) one member, appointed by the Society for Human Resources~~
10 ~~Management, Vermont State Council; and~~

11 ~~(7) one member, appointed by Capstone Community Action.~~

12 (c) Duties.

13 (1)(A) On or before November 1, 2023, the Committee shall study the
14 topics set forth in subdivision (B) of this subdivision (1) and submit a written
15 report to the Joint Fiscal Committee that details the Committee's findings and
16 provides recommendations for revisions to the methodology for determining
17 the basic needs budget pursuant to 2 V.S.A. § 526.

18 (B) In preparing the report required pursuant to subdivision (A) of
19 ~~this subdivision (1), the Committee shall study the following topics.~~

1 ~~(i) The current methodology for calculating the basic needs~~
2 ~~budget and determining what constitutes a livable wage for the following~~
3 ~~seven household configurations:~~
4 ~~(I) single person;~~
5 ~~(II) single person living in shared housing;~~
6 ~~(III) single parent with one child;~~
7 ~~(IV) single parent with two children;~~
8 ~~(V) two wage earning adults with no children;~~
9 ~~(VI) two adults, of whom only one is a wage earner, with two~~
10 ~~children; and~~
11 ~~(VII) two wage earning adults with two children.~~
12 ~~(ii) potential changes to the methodology for calculating the basic~~
13 ~~needs budget and determining what constitutes a livable wage for the seven~~
14 ~~household configurations identified in subdivision (i) of this subdivision~~
15 ~~(c)(1)(B); and~~
16 ~~(iii) potential changes to 2 V.S.A. § 526 to account for public~~
17 ~~policy changes, data availability, or any other factors that have had an impact~~
18 ~~on any aspects of the basic needs budget calculation or the cost to Vermonters~~
19 ~~of basic needs as that term is defined in 2 V.S.A. § 526(a)(1).~~
20 ~~(2)(A) On or before November 1, 2024, the Committee shall submit a~~
21 ~~written report to the Joint Fiscal Committee that details the Committee's~~

1 ~~findings with respect to the work required pursuant to subdivision (B) of this~~
2 ~~subsection (c) and recommendations for legislative or other actions based on~~
3 ~~those findings:~~

4 ~~(B) The report prepared pursuant to subdivision (A) of this~~
5 ~~subsection (2) shall include the following:~~

6 ~~(i) An analysis of how many Vermonters earn less than a livable~~
7 ~~wage, as reported in 2023 pursuant to 2 V.S.A. § 526, for each of the~~
8 ~~household configurations identified pursuant to subdivision (1)(B)(i) of this~~
9 ~~subsection (c), with the data further broken down by race.~~

10 ~~(ii) An analysis of the cost to the State of public benefits provided~~
11 ~~to individuals who are earning less than the livable wage, as reported in 2023~~
12 ~~pursuant to 2 V.S.A. § 526.~~

13 ~~(iii) An analysis of the benefit cliff for all public benefits~~
14 ~~provided to Vermonters and the impact of increasing the wages of Vermonters~~
15 ~~who earn less than the livable wage, as reported in 2023 pursuant to 2 V.S.A.~~
16 ~~§ 526, to an amount that is equal to or greater than the livable wage reported in~~
17 ~~2023. The analysis should examine the impacts of such a wage increase on the~~
18 ~~benefits available to those Vermonters, the impact on the State's tax revenues,~~
19 ~~the impact on the State's expenditures for the public benefits programs, and~~
20 ~~any impacts on the State's eligibility to receive federal funding related to the~~
21 ~~public benefits programs.~~

1 (2) The Committee shall:

2 (A) take testimony from subject-matter experts to assist with data
3 analysis and methodological considerations; and

4 (B) take testimony from a variety of stakeholders, including
5 employers and employees.

6 (d) Assistance. The Committee shall have the administrative and technical
7 assistance of the Joint Fiscal Office, the technical assistance of the Department
8 of Labor's Economic and Labor Market Information Division, and the legal
9 assistance of the Office of Legislative Counsel.

10 (e) Meetings.

11 (1) The Joint Fiscal Office shall call the first meeting of the Committee
12 to occur on or before August 15, 2023.

13 (2) The Committee shall select a chair from among its members at the
14 first meeting.

15 (3) A majority of the membership shall constitute a quorum.

16 (4) The Committee shall cease to exist on January 30, 2025.

17 (f) Compensation and reimbursement.

18 (1) For attendance at meetings during adjournment of the General
19 Assembly, a legislative member of the Committee shall be entitled to per diem
20 compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for
21 not more than five meetings.

1 ~~(2) Other members of the Committee who are not State employees shall~~
2 be entitled to per diem compensation and reimbursement of expenses as
3 permitted under 32 V.S.A. § 1010 for not more than five meetings.

4 (g) Appropriations.

5 (1) The sum of \$7,000.00 is appropriated to the General Assembly from
6 the General Fund in fiscal years 2024 and 2025 for per diem compensation and
7 reimbursement of expenses for members of the Committee.

8 (2) The sum of \$10,000.00 is appropriated to the Joint Fiscal Office
9 from the General Fund in fiscal years 2024 and 2025 for costs related to
10 retaining experts and other services provided to the Committee by the Joint
11 Fiscal Office.

12 Sec. 2. EFFECTIVE DATE

13 ~~This act shall take effect on July 1, 2023.~~

Sec. 1. BASIC NEEDS BUDGET TECHNICAL ADVISORY COMMITTEE;

REPORT

(a) Creation. The Basic Needs Budget Technical Advisory Committee is
created to update the methodology utilized in calculating the basic needs
budget pursuant to 2 V.S.A. § 526.

(b) Membership. The Committee shall be composed of the following
members:

(1) two current members of the House of Representatives, not all from the same political party, who shall be appointed by the Speaker of the House;

(2) two current members of the Senate, not all from the same political party, who shall be appointed by the Committee on Committees;

(3) the Secretary of Human Services or designee;

(4) one member, appointed by the Vermont Sustainable Jobs Fund;

(5) one member, appointed by the Society for Human Resources Management, Vermont State Council; and

(6) one member, appointed by Capstone Community Action.

(c) Duties.

(1)(A) On or before November 1, 2023, the Committee shall study the topics set forth in subdivision (B) of this subdivision (1) and submit a written report to the Joint Fiscal Committee, the House Committee on General and Housing, and the Senate Committee on Economic Development, Housing and General Affairs that details the Committee's findings and provides recommendations for revisions to the methodology for determining the basic needs budget pursuant to 2 V.S.A. § 526. The report may also include recommendations for legislative action.

(B) In preparing the report required pursuant to subdivision (A) of this subdivision (1), the Committee shall study the following topics:

(i) the current methodology for calculating the basic needs budget and determining what constitutes a livable wage;

(ii) potential changes to the methodology for calculating the basic needs budget and determining what constitutes a livable wage, including the identification of not more than seven household configurations to be utilized in future determinations of the basic needs budget and livable wage; and

(iii) potential changes to 2 V.S.A. § 526 to account for public policy changes, data availability, or any other factors that have had an impact on any aspects of the basic needs budget calculation or the cost to Vermonters of basic needs as that term is defined in 2 V.S.A. § 526(a)(1).

(2) The Committee shall:

(A) take testimony from subject-matter experts to assist with data analysis and methodological considerations; and

(B) take testimony from a variety of stakeholders, including employers and employees and organizations that represent employers and employees.

(d) Assistance. The Committee shall have the administrative and technical assistance of the Joint Fiscal Office, the technical assistance of the Department of Labor's Economic and Labor Market Information Division, and the legal assistance of the Office of Legislative Counsel.

(e) Meetings.

(1) The Joint Fiscal Office shall call the first meeting of the Committee to occur on or before August 15, 2023.

(2) The Committee shall select a chair from among its members at the first meeting.

(3) A majority of the membership shall constitute a quorum.

(4) The Committee shall cease to exist on January 30, 2025.

(f) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than five meetings.

(2) Other members of the Committee who are not State employees shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than five meetings.

(g) Appropriations.

(1) The sum of \$7,000.00 is appropriated to the General Assembly from the General Fund in fiscal year 2024 for per diem compensation and reimbursement of expenses for members of the Committee.

(2) The sum of \$10,000.00 is appropriated to the Joint Fiscal Office from the General Fund in fiscal year 2024 for costs related to retaining experts and other services provided to the Committee by the Joint Fiscal Office.

Sec. 2. 2025 BASIC NEEDS BUDGET REPORT; METHODOLOGY

Notwithstanding any provision of 2 V.S.A. § 526(c) to the contrary, in preparing the basic needs budget report due January 15, 2025, the Joint Fiscal Office shall utilize the methodology and household configurations recommended by the Basic Needs Budget Technical Advisory Committee established pursuant to section 1 of this act.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2023.