

## VERMONT AFFORDABLE HOUSING COALITION 2007 LEGISLATIVE WRAP-UP

With the price of housing continuing to climb ever further out of reach for low and moderate income Vermonters and homelessness on the rise, especially among families, advocates began the year with high hopes that housing would be near the top of the Legislature's agenda this year. Unfortunately, once again, other priorities prevailed. Though moderate advances were made in funding for affordable housing and housing related benefits and support services, virtually none of the legislative priorities put forward by housing advocates went anywhere.

### **HOUSING BUDGET ISSUES (H. 537 / Act 65)**

#### **Vermont Housing and Conservation Board**

Housing advocates once again sought full funding for VHCB, the state's major vehicle for assisting affordable housing with Vermont taxpayer dollars. As with the Municipal and Regional Planning Fund (see below), VHCB is supposed to receive a statutory share of the state's property transfer tax revenues, projected at \$34.8 million for FY 08. For VHCB, the percentage is 50%, which should yield \$17.2 million. Yet housing and conservation have not received the full statutory share since 2001. By the end of FY 08 they will have lost an estimated cumulative total of over \$30 million, which represents an estimated 750 affordable homes, over 100 accessible units, 50 farms, and 58 community conservation projects that could have otherwise been funded.

In its FY 07 budget, the Legislature expressed its intent to give VHCB a 4.5% increase in FY 08, for a total of just under \$14,383,258. For the first time the Governor included this increase in his budget recommendation. Both the House and Senate made good on their promise to include the 4.5% increase. They included language allowing VHCB to receive up to another \$2 million if transfer tax revenues exceed projections. They also included language preserving the use of state HOME Program funds for permanently affordable housing, while allowing up to \$200,000 of those funds, together with up to \$750,000 in Vermont Community Development Program dollars, to be used to help property owners comply with the state's new septic system regulations, which go into effect July 1.

#### **Homeless Shelters and Services**

Homeless advocates sought a \$458,000 increase for homeless shelter operating costs and prevention services funded through the Vermont Office of Economic Opportunity. This program has been level funded at \$542,000 for the last several years. The increase is needed to meet rising costs and demand for services as shelters around the state struggle to serve increasing numbers of homeless men, women, children and those suffering with mental health disabilities. The Governor's budget recommended level funding, the House awarded a \$100,000 increase, and the Senate a \$150,000 increase plus \$50,000 in one-time funding from the surplus. In the end, Homeless Shelters and Services received an extra \$150,000 in the base.

#### **General Assistance / Emergency Assistance**

There are a variety of housing and housing related support services for low-income families offered through the GA/EA Program, including the Back Rent Program, Permanent Housing and Temporary Housing, all of which were level funded for FY 08. These programs are essential tools in preventing homelessness. The FY 07 budget authorized the Department for Children and Families (DCF) to initiate several regional pilot projects to look at using GA funds more efficiently and effectively for homelessness prevention and anti-poverty work in general. The FY 08 budget reauthorizes these pilots for another year and asks DCF to come back with recommendations for improving the GA Program. DCF convened a stakeholder group last year to initiate and oversee the pilots. This group will continue over the summer and fall and make the recommendations to the Legislature next year. Advocates sought to expand eligibility for the Back Rent Program to include single individuals and households without minor children, a long-standing priority. Appropriators preferred to wait until next year to make changes as part of a more comprehensive re-structuring of the GA/EA Program.

**Mental Health Housing Contingency Fund**

This fund provides first and last month's rent and rental assistance to mental health consumers. Last year it received its first increase since inception of the fund in 1987, from \$300,000 to \$390,000. As part of the planning process for replacing the Vermont State Hospital (VSH), the "Futures" Committee recommended \$1 million in additional new resources each year for the next three years. The Governor's budget recommended a \$460,532 increase for "Re-Entry Housing," which will initially benefit primarily folks coming out of VSH, but will eventually be blended with the Contingency Fund to benefit all mental health consumers. The House and Senate included the Governor's recommend in the final FY 08 budget.

**Transitional housing for ex-offenders**

The Department of Corrections has just over \$1 million in its budget to assist ex-offenders with their housing and other supportive service needs when they leave prison. These moneys go to a variety of programs and facilities around the state, awarded mostly through an RFP process. For FY 08, the Legislature increased this fund by \$129,000, \$50,000 designated for Return House in Barre and the rest to be spent on re-entry services, including transitional housing, at the DOC's discretion.

**Assistive Community Care Services Program**

ACCS helps elders and people with psychiatric and physical disabilities live in more independent settings in assisted living and residential care homes. Providers have never been reimbursed for the full cost of providing services. Even with last year's \$3 per person per day increase, they were left short. This year the Legislature awarded another \$1 increase, which does not even cover the cost of inflation. Based on current annual caseload projections, this increase will cost \$356,649, of which \$221,122 comes from the Office of Vermont Health Access (OVHA) Global Commitment Budget and \$135,649 from OVHA's Long Term Care Waiver Budget.

**Home Access Program**

The Vermont Center for Independent Living's HAP Program helps people with disabilities make accessibility modifications to their homes, allowing them to live more independently and avoid higher cost nursing home care. The Legislature level funded HAP for another year, even though the program has over 175 households on the waiting list statewide (average wait of three years) and 10-12 new applicants every month. Language in the budget authorizes a study by the Department of Disabilities, Aging and Independent Living (DAIL) of how many people are inappropriately housed in nursing homes and other higher-cost levels of care, who could live in more independent settings if increased HAP funds were available. HAP will receive \$100,000 more this year thanks to VCDP grant money channeled through the regional HomeOwnership Centers.

**Housing and Supportive Services (HASS)**

This program also helps elders live in more independent settings by providing them with supportive services that allow them to age in place. The program will be level funded once again in FY 08. Because of shifts in the source of some HASS funding from the General Fund to Medicaid a few years ago, some residents and certain types of services became ineligible. This has had a negative effect on the programs of some owners of senior housing, including some Public Housing Authorities.

**HomeShare Vermont**

Requested a \$90,000 increase for the Chittenden County and Central Vermont programs to continue their expansion into Addison, Lamoille and Orange Counties. The request came too late in the budget process to receive an increase.

**AHS Field Services Division Direct Service Funds (Flex Funds)**

Field Service Directors for the Agency of Human Services use these funds to help individuals and families through short-term interventions needed to avert a crisis or through a transition for which no other funding sources are available. During the first half of FY 07, 45% of the funds were spent for various types of housing assistance. Additional housing related assistance (utilities and repairs) brought the total to just under 60%. Direct Service Funds totaled \$200,000 during the current fiscal

year, half in the base and half in "one-time" appropriations from the surplus. The Governor's budget recommended \$100,000 in the base for FY 08. The Legislature again gave \$100,000 in base spending and \$100,000 in one-times.

**Municipal and Regional Planning**

Like VHCB, planning grants to Regional Planning Commissions (RPCs) and towns are supposed to be funded by a dedicated percentage of the state's property transfer tax (17%). Though it provided a 4.5% increase promised in the FY 07 Appropriations Act and recommended by the Governor, as with VHCB the Legislature once again diverted some transfer tax revenues to help pay for other General Fund priorities. For FY 08 planning will therefore once again receive lesser amounts than the statutory percentage would have yielded:

	FY 06 Appropriation	FY 07 Appropriation	FY 08 Appropriation	Statutory Share	FY 08 Shortfall
Regional Planning	\$2,757,696	\$2,881,792	\$3,011,473	\$4,099,788	\$1,088,315
Municipal Planning	\$787,913	\$823,369	\$860,421	\$1,171,368	\$310,947
Geographic Information Service (GIS)	\$393,957	\$411,685	\$430,210	\$585,684	\$155,474
TOTAL	\$3,939,566	\$4,116,847	\$4,302,104	\$5,856,840	\$1,554,736

As in the State budgets of the last several years, the FY 08 Appropriations Act promises another 4.5% increase for the next fiscal year.

**Fair Housing**

The Vermont Human Rights Commission received a \$10,000 increase in its base appropriation, plus an additional one-time bonus of \$15,000. A portion of these funds will enable the HRC to continue carrying out its Fair Housing Initiative, which includes a newsletter, public education and targeted outreach.

**Economic Justice Issues**

- Weatherization -- Last year, after several years of raids on the Weatherization Fund to help fund fuel assistance for low-income Vermonters, the Legislature provided a \$750,000 increase. The Governor's budget for FY 08 proposed to cut the increase, but the Legislature restored it fully.
- Individual Development Accounts & Micro Business Development – The Legislature provided \$35,000 in one-time appropriations from the surplus for each program.
- Aid to the Aged, Blind and Disabled (AABD) – The Governor's budget would have withheld 0.5% of a 2.5% federal COLA by cutting \$204,733 from the state AABD supplement. The Legislature restore this funding for the poorest of the poor.
- Minimum Wage -- Passed in the waning days of the session, S.27 represents a compromise between worker and hospitality industry interests that does not quite match what advocates sought, but is an improvement nonetheless. The bill:
  - Increases the tipped minimum wage annually based on the CPI-U (Consumer Price Index - Urban or "cost-of-living") starting on Jan 1, 2008; and<sup>1</sup>
  - Revises the tipped worker definition to \$120 or more in tips a month.

The current definition had not been adjusted since 1957. Redefining the tip threshold excludes low-tipped and some part-time tipped workers, who earn small tips due to low priced menus, from being paid the tipped minimum wage. Instead, these workers will now be entitled to the general minimum wage (\$7.53/hr in 2007).

## HOUSING LEGISLATION

### Fire Safety and Code Enforcement (H.419/ S.151)

These two companion bills would create a statewide rental housing code enforcement system within the Department of Public Safety, patterned after Burlington's. Currently town health officers have responsibility for enforcing the State's Rental Housing Health and Safety Code. These volunteers usually have little, if any, expertise in housing code and safety enforcement. As a result, many of Vermont's 75,000 renter households live in substandard conditions. Inspectors would be funded through an annual apartment registration fee.

Much work went into the bills at the beginning of the session to clarify that existing municipal programs that meet basic program standards and collect fees locally are exempt from the proposed State program. Aided by a Vermont Supreme Court ruling criticizing existing State enforcement efforts as inadequate, housing advocates had high hopes that this perennial priority would move forward this year. Unfortunately, the bills ended the session where they began, in the House General and Senate Economic Development Committees, which each took testimony on the bills, but no further action. Advocates will try again next year.

### Lead Safety (H.352)

Lead poisoning is generally recognized as the #1 environmental threat to children's health. Dozens of Vermont children each year are identified with severe lead poisoning. Hundreds more are found with levels known to be detrimental to their development. Housing and lead safety advocates statewide joined together to support H.352, a bill that would implement most of the recommendations from the "Get the Lead Out of Vermont" task force, jointly lead by the Attorney General's Office and the Vermont Health Department. Among other things, this complex, 40-page bill would:

- Provide greater enforcement of the existing Essential Maintenance Practices (EMP's) in rental housing;
- Make substantive changes to EMP requirements;
- Require universal screening of one and two year olds;
- Lower the threshold for what are considered elevated blood levels among children;
- Require training for rehab contractors and others disturbing paint in pre-1978 housing;
- Extend a ban on prohibited work practices (power sanding, burning...) to owner-occupied housing;
- Make resources available to property owners to address lead hazards (loans, tax credits...);
- Increase a variety of fees associated with lead hazard remediation and enforcement; and
- Allow municipalities to create their own ordinances and enforcement mechanisms.

The bill faced strong opposition, not just from landlord advocates, but also from the National Rifle Association and other gun owners' and sportsmen's associations. The NRA's objections focused on language in the bill that they saw as potentially increasing municipal control over gun ownership and firing ranges. Compromise language paved the way for the NRA and others to eventually support the bill, leaving only the landlords to oppose. After many hours of testimony and numerous drafts and re-drafts of the bill, the House General Committee voted it out unanimously. The bill ended the session in House Human Services, which will hopefully take the bill up early in January. It will have one more stop in the House Ways and Means Committee before heading to the House floor and, hopefully, on to the Senate. This year's Fee Bill (H.294) included all the bill's proposed fee increases, so it will presumably have an easier time in Ways and Means next year.

### Mobile Home Legislation (H.331; H.332 / S.188; H.330 / S.186; H.429 / Act 18)

A number of bills were introduced that each addressed one of the major issues examined by the Governor's Commission on Mobile and Manufactured Homes:

- H.331 would classify and treat mobile homes on leased lots as real property instead of personal property, which would be a first step in the quest for greater access to conventional mortgage financing. Because the complex array of issues the bill involves were mostly still unresolved, the bill was introduced as a "short form" bill, meaning that it included only a description of its intent

and no legislative language. A stakeholder group has been meeting since last year and hopes to have a bill ready for action in 2008.

- H.332 and S.188 would provide a number of protections for park residents, including prohibiting simultaneous notice of park closure and sale, preventing retaliatory park closure when residents complain about habitability issues, preventing punitive lot rent increases during closure, and allowing the DHCA Commissioner to require a park owner to pay limited relocation costs under certain circumstances. The bill passed the House before “cross-over,” over the objections of park owner representatives. It then languished in Senate Economic Development for the rest of the session while the committee completed work on its major priorities, broadband and workforce development. It is hoped that they will take it up early next year.
- H.330 and S.186 would repeal “free standing” mobile home park ordinances for towns without zoning. The House passed H.330 after cross-over. The bill ended the session in the Senate Rules Committee, which will hopefully release it for action by Senate Economic Development early next year.
- H.429 passed both chambers and was signed into law by the Governor. Now Act 18, it increases mobile home and park owners’ access to underground storage tank clean-up funds.

### **Vermont Affordable Housing Tax Credit (H.484 / S.162)**

Last year the Legislature increased the State’s existing tax credit for affordable rental housing from \$150,000 to \$400,000 over two fiscal years. Housing advocates had also sought another \$100,000 for single-family homeownership and employer-assisted housing. However, Ways and Means was unwilling to go along with the latter without further study and a more detailed proposal. The tax credit is a five-year credit, so an annual allocation of \$400,000 gives investors a total credit of \$2 million, raising about \$1.8 million in private capital for affordable housing.

This year, after further study, housing advocates dropped the complicated employer-assisted idea and came back with a simple request to expand the tax credit by another \$100,000 to stimulate homeownership production. Though the House General Committee unanimously endorsed the expansion, Ways and Means never took testimony on the bill. Senate Finance was asked to include it in the Miscellaneous Substantive Tax Bill (H.521), but they were given an allocation of only \$200,000 to spend on all new tax credits in this very tight fiscal year. They opted to spend it on a combination of an increase to the Downtown Tax Credit, a sales tax exemption on aircraft parts, and a land gains tax for land sold to an affordable housing organization instead. Advocates will likely be back next year requesting the increase for homeownership, which is offset by new tax revenues resulting from the economic activity generated by the housing produced.

### **Property Transfer Tax (H.485 / S.163)**

For the third year in a row, the Vermont Housing Finance Agency (VHFA) sought an increase in the exemption that its low and moderate-income, first time homebuyers enjoy from the property transfer tax (PTT). For many years, these buyers have had the first \$100,000 of their home value exempted from the tax, helping to decrease their transaction costs at closing and promoting homeownership. VHFA again sought an increase in this threshold from \$100,000 to \$140,000, in recognition of the increase in Vermont’s median home price over the years, which reached \$197,000 in 2006. VHFA also sought to expand the exemption to include homebuyers who purchase homes using USDA Rural Development loans or Homeland grants from the Vermont Housing and Conservation Board. The expanded exemption would have cost the State an estimated \$367,000 in foregone tax revenues, far exceeding the \$200,000 that the Senate Appropriations Committee had allocated for tax expenditures. As with the Affordable Housing Tax Credit, housing advocates will have to go back to the well next year.

### **Land Gains Tax Exemption (H.483 / S.134)**

The Land Gains Tax was originally enacted in the early 1970’s to discourage rapid speculative subdivision and resale of land. It applies only to sales or exchanges of land (with or without a home) held by the seller for less than six years, the shorter the seller’s ownership, the higher the tax. The tax is based on the value of the land only. Transactions involving properties to be used as primary residences are exempt, regardless of the seller’s length of ownership, the sale price or the income status of the buyer.

Currently, the tax applies to developers who sell homes (or land only) to a non-profit intermediary organization, which then resells to a homeowner. The non-profit might hold the property only for a short while during the closing (even an hour), in order to apply affordability restrictions, and then resell to the homeowner. If there is a tax penalty to this interim arrangement, it discourages the developer from doing “turn-key” affordable homeownership developments with land trusts or other non-profits by adding to the price.

Champlain Housing Trust<sup>2</sup> successfully sought an exemption for developers selling to “qualified” non-profits<sup>3</sup> as part of such turn-key developments, so long as the home is resold to a qualified owner-occupant buyer within twelve months or, in the case of a sale of land only, the buyer builds and occupies the home within two years after buying the land. This change puts all transactions involving primary residences (or land to be used for a primary residence) on the same footing for the original seller, regardless of whether there is a non-profit intermediary involved. Senate Finance amended the original bill and incorporated it into the Miscellaneous Substantive Tax Bill, which passed on the last day of the session.

### **Tax Assessment of Affordable Housing (H.521)**

The Miscellaneous Tax Bill also included a provision that makes technical corrections to a formula for assessing affordable rental housing. The original formula was made into law several years ago on the recommendation of a stakeholder group that included housing organizations, the Vermont League of Cities and Towns, the Tax Department, and the Vermont Association of Listers and Assessors. This compromise approach required towns to use the income approach to assessing fair market value, taking into consideration four factors: (1) HUD Fair Market Rents for the Section 8 Program, (2) actual expenses incurred, (3) a standard vacancy rate, and (4) a capitalization rate established by the Tax Department. This formula brought consistency into a patchwork of different methodologies used by different towns around the state, several of which led to appeals and court cases.

A number of towns saw property values for subsidized properties decrease, in some cases precipitously. Many of these decreases were the result of historic overvaluation of the properties, or using other, inappropriate appraisal methods. Recognizing that there are some types of subsidized housing whose actual rents are higher than the HUD Fair Market Rents, the stakeholder group last year recommended that the higher of actual or HUD rent be used for these types of properties, thus increasing their value and, consequently, revenues to the towns and the Education Fund. The Tax Department issued a ruling to that effect last summer, which was codified in law through H.521.

Another provision in H.521 extends for one year the tax exemptions of affordable housing properties that were grandfathered when Act 60 passed ten years ago.<sup>4</sup> These properties, some of them older, HUD-funded senior projects, had property tax exemptions pre-dating Act 60. Act 60 authorized them to continue for up to ten years, an extension that would have expired this July 1 unless re-authorized by a town’s voters. However, any such new authorization would have required the town to make up the lost revenues to the Ed Fund from that point forward. H.521 gives everyone involved, assessors, property owners, selectboards and the Legislature itself, another year to figure out what, if anything, to do.

### **Downtown Tax Credit (S.204)**

S.204 sought an increase of the State’s existing Downtown Tax Credit from \$1.5 to \$2 million a year. As reported above, the State’s fiscal constraints prevented this level of increase. Senate Finance included a \$100,000 increase in the Miscellaneous Tax Bill, for a new total of \$1.6 billion.

### **New Neighborhoods / Low Impact Development Zones (H.299 / H.451)**

In response to the State’s ongoing housing shortage, several non-profit housing developers and agencies<sup>5</sup> joined with the Douglas Administration in proposing permit reform that would make it easier to develop housing of all kinds. Proponents sought the following outcomes:

1. A more predictable, less time consuming and less costly permitting process,
2. Exempting residential development within New Neighborhoods from Act 250 review,
3. Ending duplicative review at the local and district environment commission levels,

4. Exempting individual single family homes and duplexes from Act 250 jurisdiction,
5. Ability to build out to densities set forth in local zoning ordinances,
6. Placing the burden of proof on appellants contesting municipal approvals, and
7. Incentives to municipalities to promote housing development.

The proposal stirred both interest and controversy, with several affordable housing organizations, the Lake Champlain Regional Chamber, Homebuilders and other business interests lined up behind it, while the Forum on Sprawl, Preservation Trust and environmental groups opposed. Both the House General and Natural Resources Committees took substantial testimony on H.299, which underwent several revisions during the session before it became clear that it needed further work in order to receive support from legislative leadership and key committee members. A group of stakeholders will work over the summer and fall to develop a proposal that can garner greater consensus next January.

### **Inclusionary Zoning (H.49 / S.40)**

Early in the session, the Homebuilders mounted a concerted effort to pre-empt municipal inclusionary zoning ordinances statewide. They brought in a national expert to inveigh against the supposed negative impacts of inclusionary zoning, none of which are born out by real life local evidence from Vermont. Brian Pine from the City of Burlington's CEDO Office, together with Colin Bloch from Champlain Housing Trust, gave a compelling presentation on Burlington's fifteen year record of success with IZ, which prompted both the House General and Senate Economic Development Committees to take no further action on the bills. Senate Government Operations Committee also heard testimony pro and con and decided not to take further action either. The Vermont League of Cities and Towns assisted Burlington's and the Coalition's efforts to kill the bill on the grounds that it would restrict local control.

### **Energy Efficiency (H.520 & S.94)**

Senate Bill 94 focused broadly on ways to conserve oil and propane used for heating. It originally sought to increase the existing weatherization tax now levied on these liquid fuels to support enhanced energy efficiency programs to address their conservation. This would have made more resources available to affordable housing developers to reduce the ongoing energy costs of their buildings. The bill proposed adding the oversight of these duties to Efficiency Vermont's task list and making their status as a "quasi-utility" permanent, rather than contractual as at present. The bill also proposed an expansion of the State's low-income Weatherization Program. The bill's surcharge drew stiff opposition from the Governor and business groups and was stripped from the bill before being passed by the full Senate.

The Senate eventually decided to combine most of its energy efficiency bill into the House-passed energy bill (H.520), adding a new, and hardly less controversial, funding source to pay for expanded energy efficiency programs: a windfall profits tax on Vermont Yankee owner Entergy Nuclear. Once it passed the Senate, H.520 went to conference, where House conferees were uncomfortable with this second funding proposal and identified yet a third, presumably more palatable revenue source: an increase in Entergy's current generation tax rate to equal exactly what was proposed for wind power generators.<sup>6</sup>

This final source also met with strong opposition from utilities and major business owners. The Governor has vetoed the bill as a result. A veto session of the Legislature is scheduled for July 11. It is too early to tell the outcome, but a veto override in the House, though potentially doable, poses a major challenge for the Democratic majority.

### **Energy Affordability Program (S.189)**

Championed by AARP, S.189 grew out of the Electric Affordability Collaborative convened by the Public Service Board over last summer and fall. Passed during the 2006 legislative session, Act 208 directed the PSB to design an electric affordability program for low-income Vermonters. Had it passed as proposed, S.189 would have created a tiered discount program for people below 150% of the Federal Poverty Level. The lower the income tier the higher the electric bill discount for eligible participants. It also included a one-time, pre-program arrearage forgiveness option offered to eligible

beneficiaries. The program would have been funded through an “affordability charge” assessed against all classes of ratepayers. The Agency of Human Services would be responsible for screening potential beneficiaries, just like they do for LIHEAP (Fuel Assistance). Vermont is one of 15 states in the country that do not consider the special needs of their most vulnerable citizens when setting utility rates.

Because of nervousness over the funding mechanism and stiff opposition from business organizations, the bill stalled in the Senate. Language ended up in the big energy bill (H.520) that authorizes the Public Service Board to create an electric bill assistance program by allowing it to consider economic hardship when setting rates. As mentioned, the Governor vetoed the bill and so its future is uncertain at this point.

### “Cross-Metering” (H.252)

H.252 is comparable to last year’s H.92, a bill that made it through the House, but stalled in the Senate. H.252 prohibits “cross-metering” in rental housing, which occurs when electricity serving a common area or an apartment is routed through the meter serving another apartment. H.252 ended the session in House General, where some utility companies proposed changes that are staunchly opposed by housing advocates who support the bill as introduced.

### Tax Increment Financing (S.191)

Passed in 2006 after many years of trying, Act 184 should have finally made TIF financing a viable tool to help fund affordable housing development. Unfortunately, the Tax Department interpreted what passed very narrowly, making it unworkable and forcing proponents to go back to the Legislature again to seek clarification this year. The Tax Department’s held that Act 184:

1. Restricts tax incremental financing of improvements within the district to municipal bonding, approved by the voters, and
2. Limits the use of TIF revenues to paying off financing for infrastructure located “wholly or partially” within the district.

The Tax Department also wanted a better methodology for measuring and capturing the background appreciation of the existing, original property in TIF districts when they undergo reappraisal. The bill that passed the Senate resolved all three issues to the relative satisfaction of all stakeholders. Unfortunately the bill ran into trouble in the House. S.191 was attached to the Miscellaneous Tax Bill during the end stages of the session, but was eventually stripped out in order to prevent the entire bill from dying. The reappraisal issue ended up getting resolved through another bill that was the last one passed before the gavel fell to end the session. Proponents will have to return next year to get the other two corrections passed.

### Access to Criminal Records (H.294)

Thanks to the good work of the Vermont State and Barre Housing Authorities, Vermont Public Housing Authorities (PHAs) received an exemption from the fee for gaining access to criminal records through the Vermont Criminal Information Center. The exemption was included in H.294, the Executive Fee Bill. The fee was, some believe, inadvertently imposed during a conference committee in the last days of the 2006 session. Housing authorities are required by HUD to check criminal records for all public housing and Section 8 applicants. The fee poses a substantial burden on PHAs, whose funding support from the federal government has declined at an alarming rate over the last several years. Burlington Housing Authority also unsuccessfully sought electronic access to judicial branch criminal case records. The two Judiciary Committees have agreed to take a comprehensive look at access to this source next year.

<sup>1</sup> This is the same index that is currently attached to the general minimum wage.

<sup>2</sup> The new organization created by the merger last year of the Burlington Community Land Trust and Lake Champlain Housing Development Corp.

<sup>3</sup> One of whose stated purposes is to provide affordable housing.

<sup>4</sup> Only properties authorized under 32 VSA 3843. Some examples: Three Cathedral Square and Fern Hill in Burlington, Holy Cross Housing in Colchester, Richmond Housing in Richmond and Community Housing in South Burlington.

<sup>5</sup> Most notably, the Vermont Housing Finance Agency, Champlain Housing Trust and Housing Vermont.

<sup>6</sup> Power generators are taxed based on the amount of kilowatt hours they generate.