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VACANT, CLERK
SEN. TIMOTHY ASHE
SEN. CLAIRE AYER



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REP. DAVID SHARPE

STATE OF VERMONT
LEGISLATIVE JOINT FISCAL COMMITTEE

Thursday, April 7, 2016

Minutes

Members present: Representatives Ancel, Branagan, Johnson, Lippert, and Sharpe, and Senators Ashe, Ayer, and Kitchel.

Other Attendees: Administration, Joint Fiscal Office, and various, lobbyists, advocacy groups, media.

The Chair, Senator Kitchel, called the meeting to order at 8:35 a.m.

Below Market Rent FY2017 preliminary agreement for Chittenden Unit for Special Investigations (CUSI)

Senator Ashe moved to approve the FY2017 rent and extension of date for submitting a plan to bring rent to market rate for Chittenden Unit for Special Investigations (CUSI) with the caveat that the Department of Buildings and General Services (BGS) would continue to work on a transition plan to move CUSI to a market rate rent, and Representative Branagan seconded the motion.

A discussion ensued of the Capital Bill mandating BGS to develop a list of all State-owned property with below market rate rents. The Chair gave examples of other entities, such as CUSI, that required State-owned space that had issues around calculating a fair and equitable market rates. Representative Branagan asked if it was a general consensus for CUSI to continue to pay below market rates. Senator Ashe commented that the Department was working toward a transition plan for bringing CUSI to market rate in the future. Representative Branagan showed concern for CUSI transitioning to a market rate rent with its fiscal constraints.

Robert Palmer, Property Management Specialist, BGS, gave the background of the CUSI rent agreements with the State, and explained that a letter was sent from CUSI (enclosed) reviewing its request for an extension to develop a long-term plan for a rent agreement with the State. Representative Lippert raised the issue of transparency and balance between certain entities receiving a special rental rate and others that did not. Senator Ashe stated he was in agreement with Representative Branagan, because there were a number of communities that were not paying its percentage to CUSI according to a statewide agreement, which caused CUSI to be strapped for operating funds.

The Chair called for the vote on Senator Ashe's motion, and the Committee approved.

Representative Ancel asked to discuss a proposal offered by her Committee to rewrite the statute of the Vermont Economic Growth Incentive (VEGI) through an amendment to H.868, the Economic Development Bill. She explained that a component of the amendment changed the approval authority of VEGI cap increases from the Emergency Board to the Joint Fiscal Committee as a more nonpartisan means of review and action. A discussion ensued of the proposed amendment. However, no action was taken.

Senator Ayer moved to adjourn the meeting, and Representative Johnson seconded the motion. The Committee adjourned at 8:50 a.m.

Respectfully Submitted,

Theresa Utton-Jerman
Legislative Joint Fiscal Office