

STATE OF VERMONT

As you have probably heard after two years of work on the S.23 **An act relating to increasing the minimum wage Governor Phil Scott vetoed the bill.**

S.23 An act relating to increasing the minimum wage

Governor Scott vetoed S.23, the Senate overrode the Governor’s veto and it will now go to the House where it will be more difficult to get the votes to override the Governor’s veto. The primary concerns surround the economic impacts on small businesses in rural communities. If the House also override’s the veto the estimated cost to businesses would be \$121 million in additional payroll allocation.

The bill as passed by the Senate:

- Beginning January 1, 2021, the minimum will increase to \$11.75
- Beginning January 1, 2022, the minimum wage will increase to \$12.55
- Each subsequent January 1, the minimum wage rate shall increase by 5% or the percentage increase of the Consumer Price Index, CPI, whichever is smaller.

Health Insurance Bills and Discussions:

Senate committee approves ban on flavored tobacco products

The Senate Health & Welfare Committee approved a bill that bans flavored vaping products as well as menthol cigarettes. The bill will be reviewed by several other Senate committees before going to the floor.

S.290 A bill addressing health care reform. The Senate Health and Welfare Committee began a review of its proposed health care reform bill.

The health care reform bill (basics listed below) was met with opposition last week. Opposition sited that there is already extensive regulatory oversight of hospitals, insurance companies and OneCare Vermont (the state’s accountable care organization), and provides the information needed health care reform. Opposition argued the proposed bill would add administrative costs and increase charges by health care providers and circle back to the consumer.

The Committee will be considering the following:

- Requires additional reporting, certification, and budget requirements for OneCare Vermont, the state’s accountable care organization;
- Directs hospitals to report certain rate increases to the Green Mountain Care Board
- Requires GMCB approval for contracts between health insurance plans and providers
- Requires the Agency of Human Services to report on a two-year budget and reporting cycle for OneCare Vermont
- Provides GMCB oversight of the designated mental health and specialized service agencies
- Requires that one of the GMCB membership include a health care professional
- Requires the GMCB to begin exercising its rate-setting authority and establish site-neutral reimbursement
- Imposes limits on health insurance rate increases attributable to administrative expenses

Links to all bills:

House bills: <https://legislature.vermont.gov/bill/all-house/2020>

Senate bills: <https://legislature.vermont.gov/bill/all-senate/2020>

House committee assignments can be found by clicking on the following link:

<https://legislature.vermont.gov/committee/list/2020/House-Standing#House-Standing>

Senate committee assignments can be found by clicking on the following link:

<https://legislature.vermont.gov/committee/list/2020/Senate-Standing#Senate-Standing>

For more information about the SHRM Vermont State Council Legislative Employment Law and Legislative Advocacy Update, please contact Donna Austin-Hawley at 802-661-5392 or donna.austin-hawley@nsbvt.com .
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