

HOUSE COMMITTEE ON RULES, REDISTRICTING, AND PUBLIC AFFAIRS

March 28, 2001
1:30 PM

Hearing Room D
Tapes 52 - 53

MEMBERS PRESENT: Rep. Carl Wilson, Chair
Rep. Richard Devlin, Vice-Chair
Rep. Dan Gardner
Rep. Bill Garrard
Rep. Steve March
Rep. Bruce Starr
Rep. Joanne Verger
Rep. Cheryl Walker

MEMBER EXCUSED: Rep. Dan Doyle, Vice-Chair

STAFF PRESENT: Cara Filsinger, Committee Administrator
Jennifer Goodman, Committee Assistant

MEASURE/ISSUES HEARD: PUBLIC HEARING – REDISTRICTING
SCR 7 – PUBLIC HEARING AND WORK SESSION
HB 3694 – PUBLIC HEARING
HB 3695 – PUBLIC HEARING
HB 2587 – WORK SESSION

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 52, A		
004	Chair Wilson	Begins the meeting at 1:36 p.m. Opens the public hearing on redistricting.
<u>REDISTRICTING – PUBLIC HEARING</u>		
006	Cara Filsinger	Committee Administrator. Reviews redistricting handouts (EXHIBITS A & B) .
023	Chair Wilson	Closes the public hearing on redistricting and opens a public hearing on SCR 7.
<u>SCR 7 – PUBLIC HEARING</u>		
034	Filsinger	Submits testimony and –1 amendments (EXHIBITS C & D) .
042	Chair Wilson	Closes the public hearing on SCR 7 and opens a work session on SCR 7.
<u>SCR 7 – WORK SESSION</u>		
045	Rep. March	MOTION: Moves to ADOPT SCR 7-1 amendments dated 03/28/01.
046		VOTE: 9-0
	Chair Wilson	Hearing no objection, declares the motion CARRIED.
048	Rep. March	MOTION: Moves SCR 7 be sent to the floor with a BE ADOPTED AS AMENDED recommendation.
048		VOTE: 9-0
	Chair Wilson	AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.
		REP. WINTERS will lead discussion on the floor.

059 Chair Wilson Closes the work session on SCR 7 and opens a public hearing HB 2674.

HB 2674 – PUBLIC HEARING

061 Chair Wilson Asks the committee to review the –1 amendments. Explains that they will set up a mechanism that will ultimately set up a challenge of term limits on the multiple subject rule.

081 Chair Wilson Closes the public hearing on HB 2674 and opens a work session on HB 2674.

HB 2674 – WORK SESSION

083 Rep. Devlin MOTION: Moves to ADOPT HB 2674-1 amendments dated 03/27/01.

088 Rep. Starr Asks how this bill works.

089 Chair Wilson Explains that it allows one to file for office in an expedited fashion. Adds that it will go before the Secretary of State for approval. Continues that if it is rejected it can be challenged in the Marion County Circuit Court. Adds that it then goes directly to the Supreme Court.

108 VOTE: 9-0

Chair Wilson Hearing no objection, declares the motion CARRIED.

110 Rep. Devlin MOTION: Moves HB 2674 to the floor with a DO PASS AS AMENDED recommendation.

113 Rep. March States that this special provision will expire January 1st, 2003.

117 VOTE: 9-0

Chair Wilson AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.

Rep. WILSON will lead discussion on the floor.

123 Chair Wilson Closes the work session on HB 2674 and opens a work session HB 2587. Closes the work session on HB 2587. Opens a public hearing on HB 3694.

HB 3694 – PUBLIC HEARING

139 Representative Jeff Merkley District 16. Testifies in support of HB 3694. Explains that it is better to sell to the tenants or to a non-profit representing the tenants than expelling the tenants for an outside sale. Discusses project based Section 8 and explains that this is still hard to implement even with the federal program. States that now 30 parks in Vermont have regulated rent which makes this process possible because of the lower selling price. Explains that he supports the idea of the owner selling to the tenants and believes that this bill gives the owner incentive to do this. Explains that if tenants can purchase their parks they can then run them like condo association where they make their own rules.

232 Chair Wilson Opens a public hearing on both HB 3695 and HB 3694.

HB 3694 & HB 3695 – PUBLIC HEARING

235 Rep. Merkley States that these bills are a step toward owners working with the tenant's organizations.

241 Filsinger States that both these bills have subsequent referrals to Ways and Means. Adds that HB 2863 is a similar bill in Revenue.

247 Fred Schwock States that it is impossible for tenants organizations to come up with money to buy the park quickly. Adds that if the state bought a park they could recover their investment and interest. Continues that this would give the tenants time to raise the money.

285	Cheryl Pellegrini	Department of Justice. States that these bills were introduced after the task force was formed. Explains that HB 3695 provides an exemption to one who sells to a non-profit organization or to a majority of tenants. Explains the bill by Representative Carlson that gives a tax-credit to the seller. Adds that this gives the seller a bigger break than from a straight sale to the tenants. Adds that the seller can carry the tax credit over for 5 years. Explains that out of 44 tenant groups only two have succeeded in purchasing a park from the owner because there are no incentives. HB 3694 allows tenants breathing room to amass the funds to buy the park by creating a holding company that is a government entity. Explains that the government would hold the park in trust until the tenants get the financing. Allows 36 months to complete the transaction. Explains that as a corporation the entity can execute contracts as a landlord. States that the Task Force found that tenants can benefit by purchasing the park themselves. Believes these two bills provide a good start.
379	Rep. Doyle	Asks about the function of the corporation. Asks if the General Fund would loan the money. Refers to section 4 and asks about funding. Asks also about section 2 subsection 2. Asks how the funding would work and what if the tenants decided not to purchase the park.
407	Pelligrini	Responds that she does not have that information but would get it and supply it to the committee.
412	Rep. Doyle	Asks if the money would come from the General Fund.
416	Pelligrini	Responds in the affirmative.
417	Rep. Garrard	Asks if there is any history of the government being involved in something like this.
423	Pelligrini	Responds that Oregon does not. Believes that Vermont is the only state to try this.
430	Rep. March	Asks if the Housing Authority has tried anything like this.
441	Pelligrini	Responds that the committee would need to speak to someone in Housing Authority.
TAPE 53, A		
016	Jack Siiking	MHCO. Testifies that they are neutral on HB 3694. States that without this bill there are more prospective buyers. Adds that this bill can cause the property to be tied up and in the end not go through. Asks if we need a new bureaucracy. States that a committee of 6 members makes it difficult to come to an agreement. Suggests a five-member committee. States that this bill will cost a lot of money going through the General Fund. Adds that he believes in HB 3695 and supports it.
078	Chair Wilson	Explains to the committee that there are many other bills relating to these issues.
084	Fred Schwock	Explains that he sees the government as a way to bridge finance this, not to pay for it. Explains that even if the state did through the general fund, the cost would be far less than keeping these parks as low cost housing. Explains that the state does not pay income taxes, non-profit does not pay property taxes, and the profit motive goes away. Suggests that the government could pay competitive prices and stabilize the rent. Discusses the 10-30 exchange and capital gains tax.
113	Rep. March	Asks Representative Merkley if he has thought of sending this to

119	Rep. Merkley	the Housing Authority. Responds that he was not involved in drafting this bill. Explains that other programs provided grants to non-profit organizations to cover their staff costs. Adds that the organization was experienced in the development business in acquisitions. Conjectures that the Housing Authority could handle this with their expertise. Adds that he believes it was separated out to provide limited liability as provided in the language of the bill.
158	Chair Wilson	Closes the public hearing on HB 3694 and HB 3695. Opens a work session on HB 2587.

HB 2587 – WORK SESSION

163	Chair Wilson	Explains that this bill will be sent to Ways and Means.
165	Filsinger	States that the are –1 amendments proposed by Representative Hill.
168	Rep. Starr	MOTION: Moves to ADOPT HB 2587-1 amendments dated 03/14/01.
171		VOTE: -0 EXCUSED: 2 - Doyle, Walker Hearing no objection, declares the motion CARRIED.
174	Chair Wilson Rep. Starr	MOTION: Moves HB 2587 to the floor with a DO PASS AS AMENDED recommendation.
175	Rep. Gardner	Believes that the time has come for this legislation.
191	Rep. Starr	Believes that the key to this bill is the funding. VOTE: 8-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 1 - Doyle The motion CARRIES.
204	Chair Wilson Chair Wilson	Adjourns the meeting at 2:13 p.m.

Submitted By,

Reviewed By,

Jennifer Goodman,
Committee Assistant

Cara Filsinger,
Committee Administrator

EXHIBIT SUMMARY

- A – Redistricting, schedule, staff 2 pp.**
- B – Redistricting, hand out, staff, 15 pp.**
- C – SCR 7, written testimony, staff, 1 p.**
- D – SCR 7, -1 amendments, staff, 1 p.**
- E – HB 2587, -1 amendments, staff, 1p.**