

# Ethan Allen Institute

Newsletter – July 2021 (Printer Edition)

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## Top Story: Legislator Roll Call Profiles Updated with Veto Session Results.

The Ethan Allen Institute released its officially updated legislator “Roll Call Profiles” today to reflect the final votes from the legislative session, which ended last week.

Highlighted legislation includes votes on permanent all-mail voting, a resolution declaring racism a public health emergency, allocating \$80 million in Covid relief funding, turning schools into social service centers, veto overrides on noncitizen voting and more. Each vote receives a brief overview of the issue at stake and links to more in-depth information, including original records, supporting documents and analysis. Where possible, we provide links to video of the “floor” debate on these votes.

The profiles can be at: [https://www.ethanallen.org/legislative\\_county\\_directory](https://www.ethanallen.org/legislative_county_directory).

Each profile, in addition to detailing each legislator’s voting history going back to 2013, contains contact information, links to campaign websites and social media accounts, and links to contact local papers in the district. “These profiles are a tool that allows Vermonters to better understand the issues under debate by lawmakers, to see what their elected representatives are doing, interact with them directly on multiple platforms, and hold them accountable in public forums,” said EAI president, Rob Roper. “It’s a one-stop-shop tool kit for being an active, engaged, responsible citizen.”

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## Commentary: The Vermont Proposition & You

*By John McClaughry*

Two weeks ago I wrote a column on “The Vermont Proposition”, a product of 22 “rural summits” organized by the largely Federally-funded Vermont Council on Rural Development. While paying my respects to its authors – “well written, earnest, sometimes cogent, and in places inspiring” - I expressed considerable skepticism about such “vision statements”.

Many of the desired outcomes developed in the 26-page document are certainly worthwhile. Uniting to put an end to what racism may still exist is unarguable. Expanding economic opportunity, developing human capital, fostering innovation, creating jobs and creating a tax structure that encourages people to invest in Vermont are

worthy goals, so long as the Vision stops short of using government to underwrite crony capitalism for favored people and businesses.

Having said that, the Vermont Proposition is open to considerable criticism.

First, visionary documents are constructed and promoted by people enthusiastic about grand visions, and who often want to make sure that their pet interests are favorably promoted. I daresay that most of this subset of Vermonters doesn't spend much time thinking about how these grand visions are going to be achieved, who is going to pay for them, and how much the liberties of ordinary people may be diminished.

Second, while some of the components of the desired vision can only be achieved by cultural and attitudinal changes, the vast majority of the outcomes require mobilizing the powers of government. This latest vision rests on the unspoken premise that it's our government's business to tax, invest, encourage, stimulate, empower, combat, protect, expand and modernize, until the people of Vermont are pushed or pulled to fall in line with the Vision.

The most popular conclusion in the Vermont Proposition is "we need to invest in ..." followed by a list that includes most every cause promoted by liberals.

Full disclosure would require a recognition that "we" are those in control of state government, and the needed investments require extracting money from actual people who earned it, and may have their own ideas about how to invest it.

For example, the document repeatedly points to the approaching terrors of climate change, said to be "the existential threat of our time", that "left unaddressed, will produce cascading catastrophic impacts on communities, states, and ultimately on world civilization."

Accordingly it demands that the legislature enact a carbon price (read: "tax") or a CO2 emissions cap and trade plan – even if Vermont has to do it alone! A lot of Vermonters will not be thrilled with a virtue-signaling Vision that drives up the cost of their motor and heating fuel in order to produce no detectable effect whatever on the planet's future climate.

Third, the Vision dwells on the evils of "the greatest disparity of wealth within a democratic society in world history....The wealthiest among us continue to grow their resources." The obvious remedy for this outrage is to confiscate that excessive wealth and distribute it to everyone who thinks they deserve more. That's the unstated centerpiece of the Vision's recommendation for a new War on Poverty.

Fourth, the document extols enlarging preschools to include every child aged zero to five. The State will then have control of everyone's children until they're old enough to go to college free at taxpayer expense.

Finally, the Vision exhibits a glaring disparity between its enthusiasm for "democracy", and its even greater enthusiasm for creating utterly undemocratic regional administrative bodies directed by an all-powerful State Planning Office that "would be responsible for the statewide community and economic development and land use plans on a five year cycle." Presumably you could still vote for Governor, but that scheme looks to me more like replacing local democracy with a hugely expanded and unaccountable administrative state.

What does the Vision not include? You won't even find the words "property" and "liberty", both being unworthy of concern. You won't find any mention of the state's \$5.6 billion in unfunded state retirement liabilities, or any recognition of the regulatory burdens facing Vermont enterprises, except possibly for housing that complies with "smart growth" dictates (clustered in downtowns). Nor is there any explanation of how

Vermont taxpayers are going to pay for anything close to their state's present \$7.7 billion per year government once the present cornucopia of Federal spending tapers off.

Paul Costello, the executive director of the sponsoring organization (VCRD), has put out an urgent argument for adopting the Vision. "This is the moment for Vermonters to line up for action" ... to drive priorities forward," led by a Vermont Action Team now in formation.

Vision statements are not without some aspirational merit, but the Vermont Proposition seriously needs to be put on the shelf.

- John McClaughry is vice president of the Ethan Allen Institute

## Commentary: Let's Grow Kids, or Let's Grow Government?

By Rob Roper

Lawmakers recently passed a bill that begins the process for a major expansion of state-subsidized childcare for birth to five-year-olds rolled out over the next few years. The new law, crafted and pushed by the special interest group Let's Grow Kids, could have major negative consequences for children, families, and taxpayers.

Let's Grow Kids' goals are, in a nutshell: 1) Capping payments to ensure that no family pays more than 10% of their income for childcare. This sounds nice but reduces the amount of money entering the system. 2) Establishing a central bureaucracy and infrastructure to oversee the program. This, of course, will require more money coming into the system. And 3) Ensuring that childcare workers are "compensated on par with their colleagues in similar professions" (read, "unionized public school teachers"), which will require a lot more money coming into the system.

You see the problem here. Reducing revenues while increasing costs creates a revenue gap. This is where the taxpayers come in! Let's Grow Kids' bill calls for the revenue questions – amounts and methods -- to be addressed in 2023 (surely to put off the inevitable sticker shock), but earlier estimates range from the tens to hundreds of millions of dollars.

Where will that money come from? A substantial increase in property taxes is one option. A new payroll tax would be another. Expanding the sales tax to cover services and essential goods. Certainly, there will be calls to "tax the rich!" A combination of all might be necessary to cover such a large amount.

But, say the proponents, it's for the kids so we should suck it up and pony up, right? Wrong.

Programs like this (large scale, "universal," and for majority mainstream populations) are not beneficial to most children. Studies, such as those of the [Quebec universal pre-k program](#) (2019) and [Tennessee's voluntary pre-k program](#) (2015) actually show long-term harm to children who took part in state-run universal pre-k programs as opposed to control group children who didn't. Early academic benefits in kindergarten "fade out" by first or second grade, and by third grade non-participants in pre-k are generally outperforming their pre-k peers. Other studies, such as the [Head Start Impact Study](#) (2010) also record the quick fade out phenomenon of such programs.

A comprehensive longitudinal study from 1991 to 2006 and involving thousands of children done by the [National Institute for Child Health and Human Development](#)

([NICHD](#)) shows what we all know instinctively to be true: the best developmental situation for a child birth to five, except in extreme situations, is with their mother.

The study concluded, “The amount of time that children spend in child care from infancy through age 4½ is not related to their cognitive outcomes prior to school entry. Children who spend many hours in child care, however, show somewhat more behavior problems and more episodes of minor illness than those in fewer hours of child care.” (Page 17) Moreover, the more time a child spends in childcare (not a significant factor in wellbeing) the less attentive mothers tended to be when the kids were in their care (a very significant factor).

And, “Many family features are more strongly and more consistently linked to child development outcomes than are child care features for children up to age 4½ (and even into kindergarten). The following characteristics predicted children’s cognitive/language and social development: parents’ education, family income, and two-parent family compared to single-parent family; mothers’ psychological adjustment and sensitivity; and the social and cognitive quality of home environment.” (Page 25)

So, if we really care about kids and improving their current wellbeing and future prospects, policies that 1) maximize time in a family setting and, 2) ensure that setting is intact, stable and nurturing is where we should be directing our efforts and resources. Pouring hundreds of millions of dollars into over-priced, over-regulated pre-k programs is at best a waste of time and money.

In fact, Vermont’s own “[Prekindergarten Education Study: Interim Report](#)” (2019, page 30) noted, “In studies of state-funded preK programs, most analyses have failed to find a pattern between preK teacher credentials and students’ school readiness skills.” A subtle admission that Vermont’s early childcare policy – require and subsidize only “highly qualified” pre-k teachers -- increases cost and decreases the supply for no discernable benefit.

In Vermont, our experience bears out anecdotally what the above studies point to empirically. We have been expanding so-called “high quality” government funded and regulated pre-k programs in terms of cost and scope since 2007 and student test results downstream from that point have consistently declined. We also hear from educators that behavioral and mental health issues among children are increasing. Childcare costs are rising, and availability is down. Now the people who caused these problems want hundreds of millions of dollars to do more of the same.

*- Rob Roper is president of the Ethan Allen Institute.*

## Events

**Stay Tuned:** Annual Jefferson Day Event. Each year since 1993 the Institute has sponsored a Jefferson Day event in the month of his birth (April). :Last year, because of COVID, we pushed our event back to November (featuring a virtual Art Woolf, available on our website. This year we face the same problem, so we’re postponing our 28th annual event to the late fall, in the hope that we can have an in-person dinner event once again. Meanwhile, suggestions for a speaker or program will be gratefully received by [john@ethanallen.org](mailto:john@ethanallen.org). “Error may be tolerated when reason is left free to combat it.”

## June Roll Calls!

[HOUSE OVERRIDES GOVERNOR'S VETO OF MONTPELIER NONCITIZEN VOTING \(103-47\)](#)

[HOUSE OVERRIDES GOVERNOR'S VETO OF WINOOSKI NONCITIZEN VOTING \(103-47\)](#)

[SENATE OVERRIDES GOVERNOR'S VETO OF MONTPELIER NONCITIZEN VOTING \(20-10\)](#)

[SENATE OVERRIDES GOVERNOR'S VETO OF WINOOSKI NONCITIZEN VOTING \(20-10\)](#)

[SENATE IMPOSES \\$2500 FINE FOR UNAUTHORIZED CONSTRUCTION PROJECTS OVER \\$2500 \(21-9\)](#)

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## News & Views

**What Our Counterparts Across the River Get to Write About.** “The 2022-23 budget cuts state General and Education Fund expenditures by about 3%, or \$171 million. It lowers baseline spending so that even if the next budget increases at the rate of inflation, it might not get back to level of the current budget. In addition to that remarkable achievement, the budget further cuts business tax rates, exempts more small businesses from paying taxes, lowers the Meals & Rooms tax, and eliminates the Interest & Dividends Tax, finally making New Hampshire truly income-tax-free.” – Josiah Bartlett Center for Public Policy, New Hampshire, 6/22/21. FYI, the Vermont State budget has grown by 24% since FY19.

**In Case You Missed It, You Didn't Miss It.** The legislature punted its responsibility to deal with the state's \$6 billion unfunded pension liability crisis by opting for a “study” of the issue. The Task Force set up to do this work was supposed to be appointed and to meet on or before June 15th. If you're worried you missed that meeting, you didn't. It didn't happen. If you want to call up the members of the Task Force to complain, you can't. They haven't been appointed yet. Shocked? Don't be. If the legislature hasn't shown any interest in its legal obligation to fully fund the state pension funds for two decades, why would it care about its legal obligation to appoint the Task Force it created solely for the purpose of avoiding the problem for at least another year?

**TCI Flounders in Connecticut.** Good news for opponents of this interstate Carbon Tax. When the Georgetown Climate Center released its final proposal for the Transportation Climate Initiative (TCI) last December, it was a bit of a fizzle as only three states plus Washington D.C. agreed to sign on: Massachusetts, Rhode Island, and Connecticut.

However, Connecticut's heavily Democratic House and Senate failed to pass legislation in 2021 that would allow the Nutmeg State to participate. Oops. Turns out a majority of voters weren't on board. Good luck, Massachusetts and Rhode Island!

**Carbon Tax Fails to Reduce Carbon.** "Government documents show that emissions in BC [British Columbia] have gone up from 59.2 megatonnes in 2015 to 65.7 megatonnes in 2019. An 11% increase in four years. This is despite BC taxpayers having handed over more than \$14 billion in the carbon tax with no emissions reductions to show for it. Tax revenues keep sloshing into government coffers in an even flow. Taxpayers are paying nearly \$2 billion in the BC carbon tax this year alone. If you didn't hear about any of this, there's a reason for that. The government and the opposition parties don't want you to know that you're getting ripped off." - Kris Sims, [B.C. Director of the Canadian Taxpayers Federation, 5/14/21](#)

**Swiss Reject Carbon Taxes.** on June 14 Swiss voters rejected a proposal (No: 51.6%) to fight climate change. "At least the Swiss were honest enough to tell voters that they would have to pay for their climate indulgences with the likes of a surcharge on car fuel costs and a tax on airline tickets. Perhaps most Swiss thought this cost was exorbitant, or useless, since the country contributes only 0.1% to global CO2 emissions. The Swiss could go net-zero on CO2 and it wouldn't matter a whit to the climate." "This explains why America's climate left assiduously avoids putting carbon taxes on the ballot. Mr. Biden won't even endorse indexing the federal gas tax for inflation. Instead, the Administration is planning to use regulatory and judicial coercion. Voters understand they will pay for the climate obsessions of elites." (WSJ editorial, 6/16/21)

**This Is the State Making Healthcare More Affordable.** "Vermont State Auditor Doug Hoffer released today an analysis of state spending to operate the All-Payer ACO Model, and the financial performance of the model through 2019. The analysis found that the collective performance of OneCare is a minus \$25.6 million. This is largely attributed to both OneCare missing its financial targets (\$11.1 million) on the one side and the amount of money the state put into it (\$14.5 million) on the other." Once again "reform" costs more than doing nothing. - [Vermont Business Magazine, 6/21/21](#)

**OneCare Audit Result.** "Department of Vermont Health Access Provided Substantial Funding for OneCare's Operating Costs (Which Have Exceeded Reported Savings) But Has No Assurance that OneCare Used All Funds for Their Intended Purposes". - Report of the State Auditor, 6/18/21.

**Missing the Irony of Her Own Words...** "I believe the American health care system is in crisis and can only be fixed by people who have a clear vision for reform and are in a position to improve it," [Anya Rader] Wallack said in [UVM Health Network June 9] press release. "I have dedicated my professional life to improving our health care system and keeping it affordable," she said. Rader Wallack was the chief architect and promoter of Gov. Shumlin's single payer plan (2011-2013), before fleeing the state when, despite her "clear vision," it couldn't be made to work. It collapsed in ruins in December 2014. Now she's back, with a PhD in "social policy", as chief promoter of the Brumsted Health Empire at UVM. She will be paid \$400,000 to supply her "clear vision" to "keeping our health care system affordable." You can't make this stuff up.

**Bets If This Will Happen?** “Vermont is about halfway toward the first emission reduction mandate in the Global Warming Solutions Act. While emissions have dropped 13% from 2005 levels, the law requires a 26% drop by 2025. In order to avoid a GWSA lawsuit, there will have to be a 1075% increase in the number of electric vehicles sold and a 268% increase in the number of electric heat pumps installed in the next three and half years.” - Matt Cota VFDA, 6/18/21)

**VPIRG Gears Up.** On June 20 Lobbylinx, a website that catalogs lobbyist registrations in all fifty states, reported that VPIRG had added FIFTEEN additional lobbyists to swarm down upon Vermont legislators in 2022 to among other things drive through whatever the GWSA Climate Council thinks we need to save us from the Menace of Climate Change.

**Sorry About That.** “After retiring from the Supreme Court, Justice John Paul Stevens, author of the majority opinion in *Kelo* [the 2005 case upholding eminent domain to turn New London (CT) homes over to a large corporation for development, that never occurred], admitted he had made an ‘embarrassing to acknowledge’ error. He conceded he had made a mistake in claiming that *Kelo*’s broad reading of public use was backed by a century of precedent. Justice Stevens continued to believe he got the bottom-line decision right, albeit for a completely different reason. Still, there are few major Supreme Court decisions where the author of the majority opinion actually admitted he made a serious error in his analysis.” – Ilya Somin, (WT 6/23/21)

**On the Racist Origins of Our Public School System.** “Where you live often determines which public schools you can attend and which schools you can’t. Amid a national racial reckoning and a housing shortage only getting worse, you’d think equity warriors like the nation’s teacher unions and urbane progressives with access to the best schools would be fighting to overturn a policy rooted in 1930s-era redlining. Don’t hold your breath.” – [WSJ, 6/13/21](#)

**The Strange History of the ACA.** “No one can fail to be impressed by the lengths to which this Court has been willing to go to defend the ACA against all threats. A penalty is a tax. The United States is a State. And 18 States who bear costly burdens under the ACA cannot even get a foot in the door to raise a constitutional challenge. So a tax that does not tax is allowed to stand and support one of the biggest Government programs in our Nation’s history. Fans of judicial inventiveness will applaud once again.” – Justice Samuel Alito, dissenting in *California v. Texas*, in which the Court voted 7-2 to deny 18 states standing to challenge the ACA (Obamacare). (June 2021).

**Advice to Interstate Migrants.** Polk Co. Florida Sheriff Grady Judd tweet to new migrants from blue states: “Don’t vote the way the majority of the people voted from where you came or you’ll have here what you had there. Guaranteed.” (ET 6/16/21)

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## **Book of the Month: The Quartette**

*Orchestrating the Second American Revolution, 1783-1789*

By Joseph J. Ellis

Penguin Random House, 2016

320 pages

<https://www.penguinrandomhouse.com/books/239532/the-quartet-by-joseph-j-ellis/>

As we celebrate the 4<sup>th</sup> of July, 1776 as the birth of our nation, historian and prolific writer about the American Revolution and our founders, Joseph J. Ellis, reminds us that the real national birthday occurred in 1789, when our national Constitution was ratified.

*The Quartette* describes the roles that George Washington, Alexander Hamilton, James Maddison, and John Jay played in getting the thirteen colonies from the independent nation states that they were under the Articles of Confederation to a unified republic. Though much of the history we are taught treats this evolution as the logical and inevitable conclusion following independence, Ellis contends that the opposite is true. Without the unifying objective of defeating King George, the states were more disposed and more likely to go their separate ways or, at most, form regional compacts based on more localized interests.

The four major players in *The Quartette* all had hard experience with what they saw as a need for a national government structure. In Washington and Hamilton's case it was a soldiers in the desperately trying to field and equip the army – a task the Continental Congress didn't have the power to do effectively. Jay, who's role as a diplomat during the war had him negotiating treaties, found the job of representing with one voice thirteen often wildly different state perspectives impossible. Robert Morris, who plays the fifth Beatle to Ellis' *Quartette*, found similar difficulties in trying to manage the finances of the Colonies during the war, and ended up writing personal checks to pay soldiers' salaries and other supplies.

The book covers the background of the Revolutionary War and the Articles of Confederation, and then delves into personalities the fascinating politics that led to a Constitutional Convention few really wanted and a country few ever really envisioned. Ellis, who is a great story teller, describes how the Federalist Papers - written in a haphazard, desperate rush to win support in New York -- and the Bill of Rights-- a largely unwanted compromise – became such colossal pillars of our understanding of how government should work.

The political battles of our founding hold many lessons for us today. 1. Minorities with good ideas can prevail. 2. It can and often does take time (in this case thirteen years). 3. Be prepared. 4. Be persistent. Remember, we'll all be celebrating with fireworks and a day off because these remarkable individuals shared a brilliant political vision and the character and fortitude to make it a reality. Do we have that same spirit within us today?

- Review by Rob Roper, president of the Ethan Allen Institute.



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## The Final Word

### **July Survey: VT's Healthcare Future**

Should the state extend its healthcare management contract with OneCare Vermont for 5 years beginning in 2022, or pull the plug on the program?

- Extend the contract.
- Pull the plug.

Take the survey: <https://www.surveymonkey.com/r/VTHCFuture>

### **June Survey Results: 2021 Legislative Session Satisfaction.**

Will Vermonters be better or worse off overall as a result of new laws passed during the 2021 legislative session?

- Better off. 2% (1)
- Worse off. 98% (50)
- No difference. 0% (0)