



November 17, 2008

## **An Open Letter to the Vermont Legislature: Un-elected Commission Shouldn't Impose Milk Tax**

Dear Legislator:

On behalf of the more than 1,000 Vermont members of the National Taxpayers Union (NTU), I urge you to oppose efforts to artificially increase the price of milk through a "tax" on dairy distributors and processors.

In uncertain economic times, the last thing hardworking families need is an increase in the cost of everyday staples. Yet, the Vermont Milk Commission is considering levying an "assessment" on dairy plants to boost government checks to dairy farmers, including out of state farmers. If these plants and their jobs are to remain intact, undoubtedly, these new costs will be passed along to everyday Vermonters in the form of higher prices. To fix prices above what consumers would normally pay in an open market amounts to taxation of every person who buys any products made with milk.

Our members are also concerned that the un-elected Vermont Milk Commission (having seven appointed commissioners and two members elected to other posts) is attempting to levy this assessment. The practice of subjecting the electorate to higher taxes at the hands of people they never had a chance to vote for (or against) at the polls is wrong, plain and simple.

The National Taxpayers Union encountered a similar taxing situation with an un-elected body in Virginia earlier this year, and the lessons learned may prove useful in Vermont's handling of the Milk Commission controversy.

In *Robert G. Marshall, et al. v. Northern Virginia Transportation Authority, et al.*, NTU was a successful plaintiff in a case to overturn new taxes levied by an un-elected regional transportation board. This regional bureaucracy had been authorized by the Virginia General Assembly to levy taxes; the body proceeded to approve and begin collecting \$300 million in new taxes on local residents. In overturning the un-elected authority and its taxes, the Virginia Supreme Court sent an unmistakable message that the Commonwealth's General Assembly may not delegate its taxing power to non-elected entities. We believe this decision provides a clear warning to over-reaching bodies in other states.

America is founded on the principle of no taxation without representation, and un-elected boards shouldn't be vested with the power of taxation. That duty should remain with elected officials, such as members of the Legislature, and not with an unaccountable Milk Commission.

Sincerely,

Kristina Rasmussen  
Director of Government Affairs