

keep: 2009 BAA Bill		1/28/09 1:54 PM			
		Original \$\$	Revised \$\$	Change	Explanation
NO.	AN ACT RELATING TO FISCAL YEAR 2009 BUDGET ADJUSTMENTS.				
It is hereby enacted by the General Assembly of the State of Vermont:					
Sec. 1.	SHORT TITLE				
(a) This bill shall be known and shall be cited as the "Budget Adjustment Act - Fiscal Year 2009".					
Sec. 2.	Sec. 2.001 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.001.	Secretary of administration - secretary's office				
	Personal services	848,494	803,917	(44,577)	Net reduction from the elimination of the Administrative Assistant B position, change of personnel in the Principal Assistant position and increase in personal services contracts for the November revenue forecast.
	Operating expenses	59,918	59,918	0	
	Grants	150,000	150,000	0	
	Total	1,058,412	1,013,835	(44,577)	
	Source of funds				
	General fund	829,122	872,208	43,086	
	Global Commitment Fund	76,613	70,316	(6,297)	
	Interdepartmental transfer	152,677	71,311	(81,366)	
	Total	1,058,412	1,013,835	(44,577)	
Sec. 3.	Sec. 2.024 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.024.	Buildings and general services - fee for space				
	Personal services	11,993,881	12,332,498	338,617	
	Operating expenses	12,126,545	13,854,846	1,728,301	
	Total	24,120,426	26,187,344	2,066,918	
	Source of funds				
	Internal service funds	24,120,426	26,187,344	2,066,918	Adjustment is necessary after reconciliation of space issues, accounting for increases in utility costs, budget shortfall in the Bennington office space rental charges, property maintenance and required supplies.
Sec. 4.	Sec. 2.027 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.027.	Executive office - national and community service				
	Personal services	202,006	151,504	(50,502)	Move National and Community Service from Executive Office to Agency of Human Services - Secretary's Office effective April 1, 2009 (25% of full year appropriation.)
	Operating expenses	122,923	92,378	(30,545)	
	Grants	1,835,463	1,377,300	(458,163)	
	Total	2,160,392	1,621,182	(539,210)	
	Source of funds				
	General fund	56,528	43,284	(13,244)	

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	Federal funds	2,103,864	1,577,898	(525,966)	
	Total	2,160,392	1,621,182	(539,210)	
Sec. 5.	Sec. 2.034 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.034.	Auditor of accounts				
	Personal services	2,805,929	2,785,632	(20,297)	This reduction in expenditure is to be used for a direct application to GF.
	Operating expenses	142,283	142,283	0	
	Total	2,948,212	2,927,915	(20,297)	
	Source of funds				
	General fund	526,254	526,254	0	
	Special funds	54,431	54,431	0	
	Internal service funds	2,367,527	2,347,230	(20,297)	
	Total	2,948,212	2,927,915	(20,297)	
Sec. 6.	Sec. 2.040 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.040.	VOSHA review board				
	Personal services	40,414	40,414	0	
	Operating expenses	9,680	9,680	0	
	Total	50,094	50,094	0	
	Source of funds				
	General fund	25,047	25,047	0	
	Federal funds	25,047	0	(25,047)	
	Interdepartmental transfer		25,047	25,047	This amount is received as a federal grant by DOL and is an interdepartmental transfer to VOSHA.
	Total	50,094	50,094	0	
Sec. 7.	Sec. 2.043 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.043.	Tax department - reappraisal and listing payments				
	Grants	3,240,112	3,250,112	10,000	
	Source of funds				
	Education fund	3,240,112	3,250,112	10,000	Updates appropriation for actual increase in parcel growth rate as opposed to the estimate at the time the budget was proposed.
Sec. 8.	Sec. 2.049 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.049.	Total general government	477,473,806	178,946,640	1,472,834	Adjusts Function totals.
	Source of funds				
	General fund	70,712,700	70,742,542	29,842	
	Education fund	8,809,208	8,819,208	10,000	
	Special funds	8,436,938	8,436,938	0	
	Tobacco Fund	58,000	58,000	0	
	Global Commitment Fund	416,113	409,816	(6,297)	

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	Federal funds	2,952,640	2,401,627	(551,013)	
	Enterprise funds	2,762,854	2,762,854	0	
	Internal service funds	49,185,637	51,232,258	2,046,621	
	Pension trust funds	29,204,037	29,204,037	0	
	Private purpose trust funds	1,018,536	1,018,536	0	
	Interdepartmental transfer	3,917,143	3,860,824	(56,319)	
	Total	177,473,806	178,946,640	1,472,834	
Sec. 9.	Sec 2.101 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.101.	Attorney general				
	Personal services	7,245,495	7,315,495	70,000	
	Operating expenses	1,066,918	1,066,918	0	
	Total	8,312,413	8,382,413	70,000	
	Source of funds				
	General fund	4,594,248	4,594,248	0	
	Special funds	1,295,235	1,295,235	0	
	Tobacco fund	290,000	360,000	70,000	Tobacco Trust Funds for Court ordered arbitration costs related to the Master Settlement Agreement
	Federal funds	643,000	643,000	0	
	Interdepartmental transfer	1,489,930	1,489,930	0	
	Total	8,312,413	8,382,413	70,000	
Sec. 10.	Sec. 2.110 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.110.	Public safety - state police				
	Personal services	38,966,689	42,378,789	3,412,100	
	Operating expenses	8,200,082	7,490,140	(709,942)	
	Grants	582,087	582,087	0	
	Total	47,748,858	50,451,016	2,702,158	
	Source of funds				
	General fund	12,281,795	14,981,216	2,699,421	For unrealizable vacancy savings; gasoline; overtime; payact; dispatcher upgrades; and repayment to the federal government in response to an audit finding that federal money was used in a Community Oriented Policing (COPS) grant, for uses that were originally approved, and then disallowed; less a small savings from a change in funding between federal fund sources; and fewer fleet replacements.
	Transportation fund	28,231,384	28,231,384	0	
	Special funds	2,073,265	2,076,002	2,737	
	Federal funds	2,777,985	2,777,985	0	
	Interdepartmental transfer	2,384,429	2,384,429	0	
	Total	47,748,858	50,451,016	2,702,158	
Sec. 11.	Sec. 2.111 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.111.	Public safety - criminal justice services				
	Personal services	5,708,438	6,008,538	300,100	

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	Operating expenses	3,129,222	3,129,222	0	
	Grants	3,046,453	3,046,453	0	
	Total	11,884,143	12,184,213	300,100	
	Source of funds				
	General fund	759,697	1,059,797	300,100	For unrealizable vacancy savings.
	Transportation fund	4,429,971	4,429,971	0	
	Special funds	1,393,043	1,896,043	503,000	Change of funding to show receipts from telecommunications system users as Special Funds, not Interdepartmental Transfers (per 20 VSA Sec 1875).
	Federal funds	4,677,888	4,677,888	0	
	Interdepartmental transfer	623,514	120,514	(503,000)	Change of funding to show receipts from telecommunications system users as Special Funds, not Interdepartmental Transfers (per 20 VSA Sec 1875).
	Total	11,884,143	12,184,213	300,100	
Sec. 12.	Sec 2.121 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.121.	Center for crime victims services				
	Personal services	1,404,168	1,404,168	0	
	Operating expenses	318,275	318,275	0	
	Grants	9,624,834	9,091,834	(533,000)	
	Total	11,347,277	10,814,277	(533,000)	
	Source of funds				
	General fund	49,809	49,809	0	
	Special funds	7,432,390	6,899,390	(533,000)	Reduce Victims Compensation Fund by \$383K for 2008 Act 174 and related spending to match lower estimate of revenues from dedicated new funding sources in FY 2009. Reduce spending by \$150K by eliminating the old case initiative due to insufficient funds; switch \$109,000 of spending from Victims Compensation Fund to Restitution Fund related to Victim Advocates program to prevent Victims Compensation Fund from deficit position by end of FY 2009.
	Federal funds	3,865,078	3,865,078	0	
	Total	11,347,277	10,814,277	(533,000)	
Sec. 13.	Sec. 2.142 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.142	Liquor control - administration				
	Personal services	1,476,488	1,476,488	0	
	Operating expenses	422,089	428,750	6,661	
	Total	1,898,577	1,905,238	6,661	
	Source of funds				
	Enterprise funds	1,694,577	1,694,577	0	
	Tobacco fund		6,661	6,661	Correct funding for SADD Grant program transferred from Education to Liquor Control.
	Interdepartmental transfer	204,000	204,000	0	
	Total	1,898,577	1,905,238	6,661	

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Sec. 14.	Sec. 2.145 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.145.	Total protection to persons and property	256,999,660	259,545,579	2,545,919	Adjusts Function totals.
	Source of funds				
	General fund	90,404,834	93,404,352	2,999,521	
	Transportation fund	32,725,324	32,725,324	0	
	Special funds	66,951,903	66,924,640	(27,263)	
	Tobacco fund	619,645	696,306	76,661	
	Global commitment fund	1,898,824	1,898,824	0	
	Federal funds	49,775,682	49,775,682	0	
	Enterprise funds	4,735,317	4,735,317	0	
	Interdepartmental transfer	9,888,134	9,385,134	(503,000)	
	Total	256,999,660	259,545,579	2,545,919	
Sec. 15.	Sec. 2.201 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.201.	Agency of human services - secretary's office				
	Personal services	6,977,474	7,174,248	196,777	Reflects transferring the Vermont Commission on National and Community Service (VCNCS) personal services from the Governor's office to the Agency of Human Services. Also reflects adjustments to the appropriation to meet the Round One position reductions.
	Operating expenses	3,004,134	3,023,587	19,453	Reflects transferring the Vermont Commission on National and Community Service (VCNCS) operating expenses from the Governor's office to the Agency of Human Services.
	Grants	3,674,153	4,142,977	471,824	Reflects transferring the Vermont Commission on National and Community Service (VCNCS) grants from the Governor's office to the Agency of Human Services.
	Total	13,652,758	14,340,812	688,054	
	Source of funds				
	General fund	4,360,112	4,554,264	194,152	
	Special funds	7,517	7,517	0	
	<u>Global Commitment</u>		415,000	415,000	Funding switch: Vermont 2-1-1 (a phone number to dial for information about health and human service organizations in your community) qualifies as an MCO Investment rather than a Medicaid administrative expense.
	Tobacco funds	397,021	397,021	0	
	Federal funds	5,483,280	5,443,891	260,611	
	Interdepartmental transfer	3,704,828	3,523,119	(181,709)	
	Total	13,652,758	14,340,812	688,054	
Sec. 16.	Sec. 2.202 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.202.	Secretary's office - Global Commitment				
	Grants	909,022,734	915,774,850	6,752,119	This appropriation reflects all of the net changes to Global Commitment funds within the other departments including the Office of Vermont Health Access, the Health Department, the Department of Disabilities, Aging, and Independent Living, the Mental Health Department, and the Department for Children and Families.

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	Source of funds				
	General fund	132,807,629	90,307,409	(42,500,220)	In addition to reflecting all of the net changes from departments within the Agency of Human Services, this general fund reduction also reflects an adjustment in anticipation of receiving an enhanced FMAP under a federal economic stimulus package.
	Special fund	16,261,307	16,045,307	(216,000)	
	Tobacco Fund	39,487,801	39,487,801	0	
	State health care resources fund	147,623,246	147,340,904	(282,342)	
	Catamount fund	8,186,672	7,874,460	(312,212)	
	Federal funds	564,293,422	614,356,315	50,062,893	
	Interdepartmental transfer	362,654	362,654	0	
	Total	909,022,731	915,774,850	6,752,119	
Sec. 17.	Sec. 2.205 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.205	Human services board				
	Personal services	284,719	284,719	0	
	Operating expenses	65,106	65,106	0	
	Total	349,825	349,825	0	
	Source of funds				
	General fund	50,030	50,030	0	
	Federal funds	12,254	149,897	137,643	Correction of fund sources to reflect 50/50 state/federal match.
	Interdepartmental transfer	287,541	149,898	(137,643)	
	Total	349,825	349,825	0	
Sec. 18.	Sec. 2.206 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.206.	Office of Vermont health access - administration				
	Personal services	32,033,668	36,514,151	4,480,483	Reflects \$1,400,000 for MITA/MOVE (Modernization of Vermont's Enterprise Project/Medicaid Information Technology Architecture) and one time funding for the following: marketing and outreach, technical assistance in the Office of Vermont Health Access's (OVHA's) EDS contract, rebasing Diagnosis-related Group Codes (DRG's), and funding related to the 5010 HIPPA Implementation.
	Operating expenses	2,724,407	2,724,407	0	
	Grants	1,196,000	1,010,700	(185,300)	
	Total	35,954,075	40,249,258	4,295,183	
	Source of funds				
	General fund	75,246	228,241	152,995	
	Global commitment fund	34,428,247	38,597,284	4,169,037	
	Catamount fund	750,582	351,627	(398,955)	
	Federal funds	700,000	1,072,106	372,106	
	Total	35,954,075	40,249,258	4,295,183	
Sec. 19.	Sec. 2.207 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.207.	Office of Vermont health access - Medicaid program - global commitment				

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	Grants	461,385,056	462,946,356	1,561,300	Caseload Increase: Reflects caseload increases for Medicaid and Catamount; both caseloads are higher than projected at July 2008 Emergency Board consensus forecast. Also reflects the following reductions: reducing the adult dental cap from \$495 to \$200, reducing provider reimbursement by 4%, paying Medicaid cross over claims at the Medicaid rate, eliminating VPharm1, VPharm2, and VPharm3, reducing the monthly management fee to primary care physicians from \$5 to \$2.50 per month per recipient.
	Source of funds				
	Global commitment fund	461,385,056	462,946,356	1,561,300	
Sec. 20.	Sec. 2.208 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.208.	Office of Vermont health access - Medicaid program - long-term care waiver				
	Grants	194,775,729	200,976,746	6,201,017	Caseload Increase: Reflects higher caseload and trend for acute care than projected at July 2008 Emergency Board consensus forecast. Nursing home days are higher than expected; actual nursing home days are 3% higher than previously appropriated.
	Source of funds				
	General fund	79,168,224	67,516,965	(11,651,259)	
	Federal funds	115,587,505	133,439,781	17,852,276	
	Total	194,755,729	200,956,746	6,201,017	
Sec. 21.	Sec. 2.209 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.209.	Office of Vermont health access - Medicaid program - state only				
	Grants	55,086,870	37,276,757	(17,810,113)	This State only appropriation includes the State only pharmacy program and the caseload to the State only pharmacy program has been falling significantly. In addition, this reduction includes the elimination VPharm1, VPharm2, and VPharm3.
	Source of funds				
	General funds	35,376,640	26,715,792	(8,660,848)	
	Global commitment fund	1,383,714	1,029,605	(354,109)	
	Catamount fund	18,326,516	9,531,360	(8,795,156)	Decrease to Catamount Funds: There are two reasons why Catamount Funds are reduced in this appropriation. First, even though the Catamount caseload is increasing faster than projected at the July 2008 Emergency Board forecast, the Catamount caseload is still less than what was appropriated in FY 2009. Secondly, per legislation, the Office of Vermont Health Access (OVHA) implemented an income disregard for Catamount which increased the number of people on the caseload who fall below the 200% FPL level and therefore allows the state to use matching federal dollars for more people on the Catamount caseload.
	Total	55,086,870	37,276,757	(17,810,113)	
Sec. 22.	Sec. 2.210 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.210.	Office of Vermont health access - Medicaid non-waiver matched				

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	Grants	44,448,317	44,176,458	(271,859)	Caseload reduction: Actual caseload in the State Children's Health Insurance Program (SCHIP) program caseload is less than originally appropriated.
	Source of funds				
	General funds	46,068,046	15,970,521	(97,525)	
	Federal funds	28,380,271	28,205,937	(174,334)	
	Total	44,448,317	44,176,458	(271,859)	
Sec. 23.	Sec. 2.211 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.211.	Health - administration and support				
	Personal services	6,409,341	6,447,115	37,774	Personal services contract; other savings in the Vermont Health Department (VDH) results in a net reduction in personal services contracts.
	Operating expenses	2,582,888	2,582,888	0	
	Grants	2,902,000	2,877,000	(25,000)	Next Generation was reduced by \$25,000 in the August rescission with the intent of reducing the Area Health Education Center's Program (AHEC) by that amount.
	Total	11,894,229	11,907,003	12,774	
	Source of funds				
	General funds	651,479	651,479	0	
	Special funds	24,743	24,743	0	
	Global commitment fund	4,860,720	4,873,494	12,774	
	Federal funds	6,285,287	6,285,287	0	
	Interdepartmental transfer	72,000	72,000	0	
	Total	11,894,229	11,907,003	12,774	
Sec. 24.	Sec. 2.211.1 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.211.1	Health - public health				
	Personal services	36,310,118	37,855,081	1,544,963	Reflects \$782,211 in Global Commitment General Fund carry forward funds that are being used for one-time expenditures in Blueprint to develop one more community care team in Bennington (2 community care teams already exist in St. Johnsbury and Fletcher Allen) and also Blueprint IT costs to develop a chronic care management system. Increase in personal services also reflects an increase in personal services contractual services because the Health Department will be absorbing its allocated personal services contractual reduction in the alcohol and drug abuse appropriation where there are expected savings through caseload trend reductions.
	Operating expenses	7,326,174	7,326,174	0	
	Grants	34,895,747	35,073,747	178,000	Transfer of expenditure authority for Blueprint grant (community care teams) from the Office of Vermont Health Access (OVHA) to the Vermont Department of Health (VDH), where it is administered. Net zero impact.
	Total	78,532,039	80,255,002	1,722,963	
	Source of funds				
	General fund	5,090,652	5,479,402	388,750	

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	Special funds	6,362,319	4,515,606	(1,846,713)	
	Tobacco fund	2,780,225	2,780,225	0	
	Global commitment fund	24,048,864	25,383,077	1,334,213	
	Catamount fund	3,250,000	5,096,713	1,846,713	
	Federal funds	36,397,848	36,397,848	0	
	Permanent trust funds	10,000	10,000	0	
	Interdepartmental transfer	592,131	592,131	0	
	Total	78,532,039	80,255,002	1,722,963	
Sec. 25.	Sec. 2.217 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.217.	Health - alcohol and drug abuse programs				
	Personal services	3,372,335	3,385,862	13,527	
	Operating expenses	811,106	708,263	(102,843)	The Vermont Department of Health (VDH) is absorbing its portion of the allocated personal services contractual reduction in this appropriation where there is expected savings through caseload trend reductions.
	Grants	27,528,671	27,528,671	0	
	Total	31,712,112	31,622,796	(89,316)	
	Source of funds				
	General fund	3,413,874	3,311,031	(102,843)	
	Special funds	236,210	236,210	0	
	Tobacco funds	2,382,834	2,382,834	0	
	Global commitment fund	16,840,983	16,854,510	13,527	
	Federal funds	8,688,211	8,688,211	0	
	Interdepartmental Transfer	150,000	150,000	0	
	Total	31,712,112	31,622,796	(89,316)	
Sec. 26.	Sec. 2.219 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.219.	Mental health - mental health				
	Personal services	4,963,769	4,753,680	(210,089)	Reflects adjusting this appropriation downwards to account for the Round One vacant position reduction.
	Operating expenses	614,618	614,618	0	
	Grants	432,073,344	131,967,443	(105,901)	Reflects transfer of expenditure authority for JOBS program from DMH to DAIL, where it is administered. Net zero impact.
	Total	437,651,731	137,335,741	(315,990)	
	Source of funds				
	General fund	703,540	703,540	0	
	Global commitment fund	432,849,352	132,533,362	(315,990)	
	Federal funds	4,078,839	4,078,839	0	
	Interdepartmental transfer	20,000	20,000	0	
	Total	437,651,731	137,335,741	(315,990)	
Sec. 27.	Sec. 2.220 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.220.	Mental health - Vermont state hospital				

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	Personal services	19,922,915	20,285,503	362,588	Increase in Global Commitment funds to implement electronic health records required by HIPPA Act which requires that electronic health records are functional by 2010.
	Operating expenses	1,821,721	1,821,721	0	
	Grants	3,000	3,000	0	
	Total	21,747,636	22,110,224	362,588	
	Source of funds				
	General fund	14,227,636	21,140,224	6,912,588	The FY 2009 budget assumed that the Vermont State Hospital would be certified as of 1/1/2009. This did not occur and general funds will be needed rather than Global Commitment funds.
	Special funds	170,000	170,000	0	
	Global Commitment fund	7,000,000	450,000	(6,550,000)	
	Federal funds	50,000	50,000	0	
	Interdepartmental Transfer	300,000	300,000	0	
	Total	21,747,636	22,110,224	362,588	
Sec. 28.	Sec. 2.221 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.221.	Department for children and families - administration & support services				
	Personal services	33,227,280	34,954,219	1,726,939	Includes an increase in federal funds for the Governor's Initiative on Food Stamps. IT transfers net to zero. The Department for Children and Families (DCF) is consolidating all of its IT related resources under one manager and one appropriation.
	Operating expenses	6,655,247	7,066,826	411,579	
	Grants	1,450,215	1,450,215	0	
	Total	41,332,742	43,471,260	2,138,518	
	Source of funds				
	General fund	12,422,107	13,627,359	1,205,252	Related to IT transfers which net to zero within the Agency of Human Services.
	Global commitment fund	44,698,891	14,799,359	100,468	
	Catamount fund	560,036	560,036	0	
	Federal funds	13,651,708	14,484,506	832,798	Increase in federal funds for the Governor's Initiative on Food Stamps
	Total	41,332,742	43,471,260	2,138,518	
Sec. 29.	Sec. 2.222 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.222.	Department for children and families - family services				
	Personal services	21,476,718	21,618,703	141,985	Represents a shift of Trauma Coordinator position from AHS Central office to DCF Family services to meet policy needs. Also, reflects an adjustment related to AHS's Round One position reductions and reflects Targeted Case Management Funding change.
	Operating expenses	3,330,327	3,162,879	(167,448)	IT Transfers which net to zero across the Agency of Human Services. This is one of the reductions that offsets increases in IT transfers in other
	Grants	64,337,283	65,678,018	1,340,735	Caseload Increase: 7.07% increase in adoption subsidy caseload from 1,541 to 1,650 @ \$8,888/year. 92% of the funding is Title IVE and receives a 59.35% federal match rate.
	Total	89,144,328	90,459,600	1,315,272	

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		Original \$\$	Revised \$\$	Change	Explanation
	Source of funds				
	General fund	17,308,746	18,273,249	964,503	Reflects Targeted Case Management Funding change. Placement activities will be billed under Title IVE rather than Global Commitment. Also includes state match for increase in adoption subsidy caseload.
	Special funds	1,938,367	1,938,367	0	
	Tobacco funds	275,000	275,000	0	
	Global commitment fund	43,690,692	43,224,231	(466,461)	
	Federal funds	25,669,650	26,486,880	817,230	Associated with increase in adoption caseload and switch in Targeted Case Management placement activities.
	Interdepartmental Transfer	261,873	261,873	0	
	Total	89,144,328	90,459,600	1,315,272	
Sec. 30.	Sec. 2.223 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.223.	Department for children and families - child development				
	Personal services	3,338,891	3,338,891	0	
	Operating expenses	843,660	520,557	(323,103)	IT Transfers which net to zero across the Agency of Human Services. This is one of the reductions that offsets increases in IT transfers in other
	Grants	51,064,583	54,940,903	3,876,320	Increases due to financial bonuses for the STARS (Step Ahead Recognition System) program and for increased child care co-pays paid to certain high needs families.
	Total	55,247,134	58,800,351	3,553,217	
	Source of funds				
	General fund	23,228,747	25,621,964	2,393,217	
	Special funds	865,000	865,000	0	
	Global commitment fund	4,289,469	5,365,469	1,076,000	Funding switch with Therapeutic Child Care specialized payment; funding changed from General Fund to Global Commitment funds which reduces need for General Fund in this appropriation. This Therapeutic Child Care specialized payment qualifies as an MCO investment.
	Federal funds	26,724,411	26,808,411	84,000	
	Interdepartmental transfer	139,507	139,507	0	
	Total	55,247,134	58,800,351	3,553,217	
Sec. 31.	Sec. 2.224 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.224.	Department for children and families - office of child support				
	Personal services	8,768,046	8,558,676	(209,370)	IT Transfers which net to zero across the Agency of Human Services. This is one of the reductions that offsets increases in IT transfers in other appropriations. Also includes an increase of \$90,630 for the reclassification of a pay grade for 33 FTE's effective on 8/31/08.
	Operating expenses	3,890,320	3,711,838	(178,482)	IT Transfers which net to zero across the Agency of Human Services. This is one of the reductions that offsets increases in IT transfers in other appropriations.
	Total	12,658,366	12,270,514	(387,852)	
	Source of funds				
	General fund	2,690,872	2,559,002	(131,870)	

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		Original \$\$	Revised \$\$	Change	Explanation
	Special funds	455,718	455,718	0	
	Federal funds	9,124,176	8,868,194	(255,982)	
	Interdepartmental transfer	387,600	387,600	0	
	Total	12,658,366	12,270,514	(387,852)	
Sec. 32.	Sec. 2.225 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.225.	Department for children and families - aid to aged, blind and disabled				
	Personal services	1,801,009		0	
	Grants	9,989,580		156,120	Caseload increase: 2% increase in AABD caseload increase for SSI; from 14,100 to 14,382 = 282 x \$55 x 12 months = \$186,120 Also includes a caseload decrease: AABD Essential person decrease reduced by 16 cases for 6 months = 16 x \$312.50 x 6 months = (30,000)
	Total	11,790,589	0	156,120	
	Source of funds				
	General fund	8,040,589		156,120	
	Global commitment fund	3,750,000		0	
	Total	11,790,589	0	156,120	
Sec. 33.	Sec. 2.226 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.226.	Department for children and families - general assistance				
	Grants	4,401,516	6,301,516	1,900,000	Caseload increase: increased demand for emergency housing.
	Source of funds				
	General fund	2,950,196	4,850,196	1,900,000	
	Global commitment fund	340,000	340,000	0	
	Federal funds	1,111,320	1,111,320	0	
	Total	4,401,516	6,301,516	1,900,000	
Sec. 34.	Sec. 2.227 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.227.	Department for children and families - food stamp cash out				
	Grants	40,710,133	15,285,013	4,574,880	Caseload increase: 15.27% increase in food stamp caseload increase from 8,500 to 9,798 = 1,298 x \$105 x 12 months = \$1,635,480. Also, Food Stamp Cash Out cost per case increase from \$105 to \$130 = \$25 x 9,798 cases x 12 months = \$2,939,400.
	Source of funds				
	Federal funds	40,710,133	15,285,013	4,574,880	
Sec. 35.	Sec. 2.228 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.228.	Department for children and families - reach up				

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		Original \$\$	Revised \$\$	Change	Explanation
	Grants	40,298,530	44,908,952	4,610,422	Caseload increase: 19.05% increase in Reach Up caseload from 11,004 cases to 13,100 cases = 2,096 x \$213.40 per case x 12 months = \$5,367,437. Also reflects decrease in Reach Up cost per case of \$3.40 (13,100 cases x \$3.40 cost per case decrease x 12 months = (\$534,480). Also reflects reductions related to policy changes regarding counting the \$125 of SSI income in TANF grant and changes to TANF sanction process.
	Source of funds				
	General fund	13,815,723	17,736,145	3,920,422	TANF caseload increases are general funds. This also reflects reductions to general fund due to TANF policy changes.
	<u>Global Commitment</u>		390,000	390,000	Funding switch: funding for women under the age of 21 with a mental health diagnosis who receive services meets the criteria for an MCO Investment under the Global Commitment waiver. As such, Global Commitment funds are added here and general funds are reduced accordingly.
	Special funds	18,200,000	18,200,000	0	
	Federal funds	8,282,807	8,582,807	300,000	There was an increase in the federal award for Food Stamp Education & Training; federal funds were added here and the corresponding amount was decreased in general funds.
	Total	40,298,530	44,908,952	4,610,422	
Sec. 36.	Sec. 2.230 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.230.	Department for children and families - office of economic opportunity				
	Personal services	235,441	235,441	0	
	Operating expenses	81,555	77,055	(4,500)	
	Grants	4,952,562	5,202,562	250,000	On 11/18/2008, the Joint Fiscal Committee supported the use of Weatherization funds for homeless shelters.
	Total	5,269,558	5,515,058	245,500	
	Source of funds				
	General fund	1,372,103	1,372,103	0	
	Special funds	57,340	307,340	250,000	
	Federal funds	3,797,615	3,793,115	(4,500)	
	Interdepartmental transfer	42,500	42,500	0	
	Total	5,269,558	5,515,058	245,500	
Sec. 37.	Sec. 2.232 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.232.	Department for children and families - Woodside rehabilitation center				
	Personal services	2,899,574	3,132,974	233,400	Reflects overtime expenditures of \$40,000; reclassification of pay grade for 24 FTE's for \$128,400, and a case management contract to assist with assessing youth for mental health needs for \$65,000.
	Operating expenses	649,151	599,151	(50,000)	Reduction in operating expenses
	Total	3,548,725	3,732,125	183,400	
	Source of funds				
	General fund	3,493,833	3,677,233	183,400	

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		Original \$\$	Revised \$\$	Change	Explanation
	Interdepartmental transfer	54,892	54,892	0	
	Total	3,548,725	3,732,125	183,400	
Sec. 38.	Sec. 2.235 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.235.	Disabilities, aging and independent living - administration & support				
	Personal services	24,187,650	24,096,125	(91,525)	Reduction of appropriation related to Round One position reductions.
	Operating expenses	3,732,463	3,732,463	0	
	Total	27,920,113	27,828,588	(91,525)	
	Source of funds				
	General fund	6,709,033	6,557,508	(151,525)	
	Special Funds	941,685	941,685	0	
	Global commitment fund	6,254,872	6,314,872	60,000	One Time Global Commitment Initiative from Global Commitment State Fiscal year 2008 carry forward for the development of a caregiver registry.
	Federal funds	11,524,001	11,524,001	0	
	Interdepartmental transfer	2,490,522	2,490,522	0	
	Total	27,920,113	27,828,588	(91,525)	
Sec. 39.	Sec. 2.236 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.236.	Disabilities, aging and independent living - advocacy and independent living				
	Grants	21,455,103	21,779,103	324,000	Joint Fiscal Committee and Administration initiative regarding Area Agencies on Aging (AAAs) to deliver home meals.
	Source of funds				
	General fund	10,006,493	10,330,493	324,000	
	Global commitment fund	3,355,319	3,355,319	0	
	Federal funds	7,655,791	7,655,791	0	
	Interdepartmental transfer	437,500	437,500	0	
	Total	21,455,103	21,779,103	324,000	
Sec. 40.	Sec. 2.238 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.238.	Disabilities, aging and independent living - vocational rehabilitation				
	Grants	5,921,471	5,968,971	47,500	
	Source of funds				
	General fund	1,495,695	1,535,695	40,000	Transfer of expenditure authority for JOBS program from Dept. of Mental Health (DMH) to Dept. of Disabilities, Aging & Independent Living (DAIL), where it is administered; net zero impact to Agency.
	<u>Global Commitment</u>		7,500	7,500	Related to the transfer of expenditure authority for the JOBS program; it has a Global Commitment funding component.
	Federal funds	4,132,389	4,132,389	0	
	Interdepartmental transfer	293,387	293,387	0	
	Total	5,921,471	5,968,971	47,500	

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		Original \$\$	Revised \$\$	Change	Explanation
Sec. 41.	Sec. 2.239 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.239.	Disabilities, aging and independent living - developmental services				
	Grants	138,705,970	139,846,155	1,140,185	
	Source of funds				
	General fund	185,693	185,693	0	
	Special funds	185,463	185,463	0	
	Global commitment fund	137,964,074	139,104,259	1,140,185	Transfer from Office of Vermont Health Access (OVHA) to Dept. of Disabilities, Aging & Independent Living (DAIL) for Individual Service Agreements, which are initially budgeted in OVHA but managed and expended by DAIL; net zero impact to Agency.
	Federal funds	370,740	370,740	0	
	Total	138,705,970	139,846,155	1,140,185	
Sec. 42.	Sec. 2.241 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.241.	Corrections - administration				
	Personal services	2,022,147	2,126,692	104,545	
	Operating expenses	315,394	315,394	0	
	Total	2,337,541	2,442,086	104,545	
	Source of funds				
	General fund	2,337,541	2,442,086	104,545	Pay Act need and related benefits.
Sec. 43.	Sec. 2.242 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.242.	Corrections - parole board				
	Personal services	317,373	319,240	1,867	
	Operating expenses	62,076	62,076	0	
	Total	379,449	381,316	1,867	
	Source of funds				
	General fund	379,449	381,316	1,867	Adjustment of allocation within the Agency of Round One position reduction (Agency total 98 positions) and PayAct and related benefits.
Sec. 44.	Sec. 2.243 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.243.	Corrections - correctional education				
	Personal services	4,032,390	3,915,100	(117,290)	Reflects \$71,973 for Pay Act and a (\$189,263) reduction in the appropriation related to the Round One position reductions.
	Operating expenses	342,079	342,079	0	
	Total	4,374,469	4,257,179	(117,290)	
	Source of funds				
	General fund	3,476,001	3,358,711	(117,290)	
	Special funds	500,000	500,000	0	

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		Original \$\$	Revised \$\$	Change	Explanation
	Interdepartmental transfer	398,468	398,468	0	
	Total	4,374,469	4,257,179	(117,290)	
Sec. 45.	Sec. 2.244 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.244.	Corrections - correctional services				
	Personal services	77,382,684	77,922,980	540,299	Includes an increase for Pay Act and an adjustment for Round One position reductions.
	Operating expenses	32,273,859	32,637,551	363,692	Reflects operating increases for electricity, piped gas, heating oil, wood, and propane.
	Grants	4,695,800	1,895,800	200,000	An 2008 Act 179 investment for Pilot program courts.
	Total	411,352,340	112,456,331	1,103,991	
	Source of funds				
	General fund	106,870,826	108,024,817	1,153,991	
	Special funds	633,963	583,963	(50,000)	
	Tobacco fund	87,500	87,500	0	
	Global commitment fund	3,094,144	3,094,144	0	
	Federal funds	584,861	584,861	0	
	Interdepartmental transfer	81,046	81,046	0	
	Total	411,352,340	112,456,331	1,103,991	
Sec. 46.	Sec. 2.245 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.245.	Corrections - correctional services - out-of-state beds				
	Operating expenses	12,158,493	11,457,276	(701,217)	Reflects lower Out of State Bed Costs due to a new contract with Louisiana Correctional Services (LCS) for 80 Beds; LCS charges approximately \$3,475 less per year per bed than the Department of Correction's existing out of state contractor, Correctional Corporation of America (CCA). This appropriation reduction also reflects lower utilization of out of state beds than originally budgeted.
	Source of funds				
	General fund	12,158,493	11,457,276	(701,217)	
Sec. 47.	Sec. 2.251 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.251.	Total human services				
		2,649,379,658	2,672,589,911	23,210,253	Adjusts Function total.
	Source of funds				
	General fund	521,931,597	477,812,802	(44,118,795)	
	Special funds	66,707,178	64,844,465	(1,862,713)	
	Tobacco fund	45,410,381	45,410,381	0	
	Global commitment fund	906,593,258	909,186,702	2,593,444	
	State health care resources fund	147,623,246	147,340,904	(282,342)	
	Catamount fund	31,073,806	23,414,196	(7,659,610)	
	Federal funds	916,671,195	991,530,816	74,859,621	
	Permanent trust funds	10,000	10,000	0	

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		Original \$\$	Revised \$\$	Change	Explanation
	Internal service funds	3,282,548	3,282,548	0	
	Interdepartmental transfer	10,076,449	9,757,097	(319,352)	
	Total	2,649,379,668	2,672,589,911	23,210,253	
Sec. 48.	Sec. 2.303 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.303.	Labor - domestic and sexual violence survivors' transitional employment program				
	Grants	45,000	30,000	15,000	
	Source of funds				
	Special fund	45,000	30,000	15,000	Labor has already expended their appropriation and demand for the program still exists. The adjustment puts total program funding back to its original amount before last fiscal year.
Sec. 49.	Sec. 2.304 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.304.	Total labor				
		29,020,561	29,035,561	15,000	Adjusts Function totals.
	Source of funds				
	General fund	2,307,673	2,307,673	0	
	Special funds	3,304,408	3,316,108	15,000	
	Catamount fund	394,072	394,072	0	
	Federal funds	20,613,870	20,613,870	0	
	Interdepartmental transfer	2,403,838	2,403,838	0	
	Total	29,020,561	29,035,561	15,000	
Sec. 50.	Sec. 2.305 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.305.	Education - finance and administration				
	Personal services	5,161,711	5,161,711	0	
	Operating expenses	1,743,880	1,813,880	100,000	
	Grants	10,757,117	10,757,117	0	
	Total	17,632,708	17,732,708	100,000	
	Source of funds				
	General fund	3,506,583	3,606,583	100,000	The current hardware and software for the state's education videoconferencing system needs to be replaced before the end of FY10 or the system will become obsolete.
	Special funds	11,383,118	11,383,118	0	
	Global commitment fund	845,143	845,143	0	
	Federal funds	1,890,747	1,890,747	0	
	Interdepartmental transfer	7,117	7,117	0	
	Total	17,632,708	17,732,708	100,000	
Sec. 51.	Sec. 2.306 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.306.	Education - education services				
	Personal services	12,608,878	12,608,878	0	
	Operating expenses	1,889,869	1,889,869	0	
	Grants	444,549,873	111,437,175	(112,698)	
	Total	426,048,620	125,935,922	(112,698)	

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		Original \$\$	Revised \$\$	Change	Explanation
	Source of funds				
	General fund	7,766,348	7,781,103	14,785	Adjusts for the \$14,785 excess taken from the GF Driver Education Grants taken as part of the second rescission.
	Transportation fund	427,483	0	(127,483)	Removes \$127,483 of previously TF funded driver education grants per change in 16 V.S.A. Sec. 4011(h).
	Special funds	1,985,599	1,985,599	0	
	Federal funds	116,144,125	116,144,125	0	
	Interdepartmental transfer	25,095	25,095	0	
	Total	426,048,620	125,935,922	(112,698)	
Sec. 52.	Sec. 2.308 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.308.	Education - state-placed students				
	Grants	15,767,500	16,367,500	600,000	
	Source of funds				
	Education fund	15,767,500	16,367,500	600,000	Updates estimated appropriation with updated school budget data.
Sec. 53.	Sec. 2.309 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.309.	Education - adult education and literacy				
	Grants	5,315,885	5,821,268	505,383	
	Source of funds				
	General fund	2,690,224	2,690,224	0	
	Education fund	4,750,000	2,250,000	500,000	Education fund increase is due to increased demand for the entitlement program.
	Federal funds	875,661	881,044	5,383	Federal increase is required to pay existing grant obligations.
	Total	5,315,885	5,821,268	505,383	
Sec. 54.	Sec. 2.310 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.310.	Education - adjusted education payment				
	Grants	1,115,355,604	1,111,968,302	(3,387,302)	
	Source of funds				
	Education fund	1,115,355,604	1,111,968,302	(3,387,302)	Updates estimated appropriation with updated grand list and local budget data (\$3.5M). Adjusts for the (\$14,785) excess increase given in the second rescission. Adds \$127,483 of previously TF funded driver education grants per change in 16 V.S.A. Sec. 4011(h).
Sec. 55.	Sec. 2.314 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.314.	Education - tobacco litigation				
	Personal services	142,152	142,152	0	
	Operating expenses	48,144	11,453	(6,661)	

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		Original \$\$	Revised \$\$	Change	Explanation
	Grants	835,402	835,402	0	
	Total	995,668	989,007	(6,661)	
	Source of funds				
	Tobacco fund	995,668	989,007	(6,661)	Transfer funding to Liquor Control; funding should have been transferred to Liquor Control with the program (SADD) for use on the Governor's Youth Leadership Conference.
Sec. 56.	Sec. 2.320 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.320.	Total general education	1,814,547,027	1,812,245,749	(2,301,278)	Adjusts Function totals.
	Source of funds				
	General fund	338,640,022	338,754,807	114,785	
	Transportation fund	427,483	0	(127,483)	
	Education fund	1,315,047,726	1,312,760,424	(2,287,302)	
	Special funds	14,699,439	14,699,439	0	
	Tobacco fund	995,668	989,007	(6,661)	
	Global commitment fund	1,075,143	1,075,143	0	
	Federal funds	418,910,533	118,915,916	5,383	
	Pension trust funds	25,018,801	25,018,801	0	
	Interdepartmental transfer	32,212	32,212	0	
	Total	1,814,547,027	1,812,245,749	(2,301,278)	
Sec. 57.	Sec. 2.327 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.327.	Vermont student assistance corporation				
	Grants	49,153,758	19,129,758	(24,000)	
	Source of funds				
	General fund	49,153,758	19,129,758	(24,000)	The Emily Lester Vermont Opportunity Scholarship was double counted by in FY08 and then adjusted for in the FY08 BAA; however the original appropriation was used as the FY09 level funded base and hence the error reoccurred in FY09. This adjustment corrects for the double counting and the excess rescission taken because of the inflated base.
Sec. 58.	Sec. 2.329 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.329.	Total higher education and other	88,256,776	88,232,776	(24,000)	Adjusts Function totals.
	Source of funds				
	General fund	83,845,213	83,821,213	(24,000)	
	Global commitment fund	4,411,563	4,411,563	0	
	Total	88,256,776	88,232,776	(24,000)	
Sec. 59.	Sec. 2.601 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.601.	Transportation - finance and administration				
	Personal services	9,314,503	9,194,503	(120,000)	This decrease is due to vacancy savings from the Deputy Secretary position.
	Operating expenses	2,560,917	2,560,917	0	

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		Original \$\$	Revised \$\$	Change	Explanation
	Total	11,875,420	11,755,420	(120,000)	
	Source of funds				
	Transportation fund	11,375,420	11,255,420	(120,000)	
	Federal funds	500,000	500,000	0	
	Total	11,875,420	11,755,420	(120,000)	
Sec. 60.	Sec. 2.604 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.604.	Transportation - program development				
	Personal services	35,192,941	35,192,941	0	
	Operating expenses	406,514,174	106,754,171	240,000	
	Grants	23,370,050	23,370,050	0	
	Total	465,077,162	165,317,162	240,000	
	Source of funds				
	Transportation fund	28,465,104	27,499,067	(966,034)	Estimated state fund savings from funding projects for Spring start with stimulus funds at 100% federal; federal funds are increased by the same amount plus \$240K for toll credits to be used to replace state funds taken in the August rescission.
	Local match	1,476,992	1,476,992	0	
	Federal funds	131,223,819	132,429,853	1,206,034	
	Interdepartmental transfer	3,911,250	3,911,250	0	
	Total	465,077,162	165,317,162	240,000	
Sec. 61.	Sec. 2.608 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.608.	Transportation - rail				
	Personal services	7,574,904	7,309,901	(265,000)	This reduction is the projected savings from converting the Ethan Allen service to bus beginning April 1, 2009.
	Operating expenses	9,220,000	9,220,000	0	
	Total	16,794,904	16,529,901	(265,000)	
	Source of funds				
	Transportation fund	8,538,904	8,273,901	(265,000)	
	Federal funds	8,256,000	8,256,000	0	
	Total	16,794,904	16,529,901	(265,000)	
Sec. 62.	Sec. 2.609 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.609.	Transportation - bridge maintenance				
	Operating expenses	12,448,348	10,798,348	(1,650,000)	This reduction is based on anticipated 100% federal funding for projects including Richmond Bridge Street.
	Source of funds				
	Transportation fund	3,908,456	1,358,456	(1,650,000)	
	Federal funds	9,439,892	9,439,892	0	
	Total	12,448,348	10,798,348	(1,650,000)	

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		Original \$\$	Revised \$\$	Change	Explanation
Sec. 63.	Sec. 2.611 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.611.	Transportation - central garage				
	Personal services	3,305,508	3,305,508	0	
	Operating expenses	14,922,266	10,922,675	(702,591)	This reduction to central garage equipment replacement is necessitated by a revenue shortfall. \$535,000 is from the central garage equipment account and \$167,591 is from liability savings.
	Total	14,930,774	14,228,183	(702,591)	
	Source of funds				
	Internal service funds	14,930,774	14,228,183	(702,591)	
Sec. 64.	Sec. 2.612 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.612.	Department of motor vehicles				
	Personal services	17,549,186	16,549,186	(1,000,000)	
	Operating expenses	8,037,725	8,037,725	0	
	Grants	339,000	339,000	0	
	Total	25,925,911	24,925,911	(1,000,000)	
	Source of funds				
	Transportation fund	23,854,657	22,854,657	(1,000,000)	Project slippage into FY2010 for VTdrives.
	Federal funds	2,071,254	2,071,254	0	
	Total	25,925,911	24,925,911	(1,000,000)	
Sec. 65.	Sec. 2.613 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.613.	Transportation - town highway structures				
	Grants	3,833,500	3,494,500	(339,000)	This decrease, necessitated by a revenue shortfall, returns this appropriation to level-funded relative to FY08. Grants have not yet been awarded.
	Source of funds				
	Transportation fund	3,833,500	3,494,500	(339,000)	
Sec. 66.	Sec. 2.615 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.615.	Transportation - town highway class 2 roadway				
	Grants	6,448,750	5,748,750	(700,000)	This decrease, necessitated by a revenue shortfall, returns this appropriation to level-funded relative to FY08. Grants have not yet been awarded.
	Source of funds				
	Transportation fund	6,448,750	5,748,750	(700,000)	
Sec. 67.	Sec. 2.617 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.617.	Transportation - town highway aid program				

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		Original \$\$	Revised \$\$	Change	Explanation
	Grants	24,982,744	23,132,744	(1,850,000)	This decrease, necessitated by a revenue shortfall, results in an average reduction to each town of \$7K.
	Source of funds				
	Transportation fund	24,982,744	23,132,744	(1,850,000)	
Sec. 68.	Sec. 2.618.1 of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.618.1	Transportation - town highway emergency fund				
	Grants	250,000	880,000	630,000	This increase is to meet known Town Highway Emergency needs.
	Source of funds				
	Transportation fund	250,000	880,000	630,000	
Sec. 69.	Sec. 2.622. of No. 192 of the Acts of 2008 is amended to read:				
Sec. 2.622.	Total transportation	412,801,007	407,044,416	(5,756,591)	Adjusts Function totals.
	Source of funds				
	Transportation fund	187,152,506	180,892,472	(6,260,034)	
	Local match	2,553,311	2,553,311	0	
	Federal funds	203,753,166	204,959,200	1,206,034	
	Internal service funds	14,930,774	14,228,183	(702,591)	
	Interdepartmental transfer	4,411,250	4,411,250	0	
	Total	412,801,007	407,044,416	(5,756,591)	
Sec. 70.	APPROPRIATION ADJUSTMENTS				
	<u>(a) To reflect adjustments to budgets due to savings in budgeted benefit rates (dental plan, medical plan and employee assistance plan), personal service appropriations are reduced by \$1,260,463 general fund in accordance with the schedule entitled "FY 2009 Appropriation Reductions Due to Budgeted Benefit Rate Savings", filed with the joint fiscal committee.</u>				General Fund component of savings in FY 2009 budgeted benefit rates (including 1 payday medical premium holiday due to balance in the medical plan, LTD and EAP funds).
			General fund	(1,260,463)	
	<u>(b) In addition to the pay act appropriations made to the secretary of administration in 2008 Act 206 Sec. 3(a)(1), there is hereby appropriated from the general fund to the secretary of administration in fiscal year 2009 \$54,624 for transfer to the department for children and families, \$616,912 for transfer to the department of corrections, and \$588,927 for transfer to the department of human resources for the non-salary items entailed by the VSEA/State bargaining agreement in effect for FY 2009.</u>				Redistribution of savings in budgeted benefit rates for pay act needs.
			General fund	1,260,463	
Sec. 71.	Sec. 3(a)(1)(B) of No. 206 of the Acts of 2008 is amended to read:				
	<u>(B) Transportation fund. The amount of \$1,240,258.00 \$841,078.00 is appropriated from the transportation fund to the secretary of administration for distribution to the agency of transportation and the department of public safety to fund the fiscal year 2009 collective bargaining agreement and the requirements of this act.</u>				AOT portion of transportation fund pay act appropriation reduced due to reduced revenue projections.
			Transportation fund	(369,180)	
	Total bill (NOT PART OF BAA)			18,792,957	
	General fund			(40,998,647)	

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		Original \$\$	Revised \$\$	Change	Explanation
	Transportation fund			(6,756,697)	
	Education fund			(2,277,302)	
	Fish & Wildlife fund				
	Special funds			(1,874,976)	
	Tobacco fund			70,000	
	Global commitment fund			2,587,147	
	State health care resources fund			(282,342)	
	Catamount fund			(7,659,610)	
	Local match				
	Federal funds			75,520,025	
	Permanent trust funds				
	Enterprise funds				
	Internal service funds			1,344,030	
	Pension trust funds				
	Private purpose trust funds				
	Interdepartmental transfer			(878,671)	
	Total			18,792,957	
Sec. 72.	FUND TRANSFERS				
(a) Notwithstanding any other provisions of law, in fiscal year 2009:					
(1) The following amounts shall be transferred to the general fund from the funds indicated:					
21005	FMS System Development Fund	600,000			Delay repayment of accounting system.
21030	Exxon Settlement Fund	3,631	Approx.		Original purpose of fund is satisfied.
21045	Getty Oil Company Settlement	63,343	Approx.		Original purpose of fund is satisfied.
21170	EO School Interest Program	15,634	Approx.		Original purpose of fund is satisfied.
21705	PSD-Hydroquebec Power	64,426			Original purpose of fund is satisfied.
21405	Fidelity interest earnings	450,000	Approx.		Investment earnings on bond proceeds.
62100	Abandoned property	2,055,517	Approx.		Treasurer's projection of abandoned property to be transferred to General Fund, per 27 VSA Sec 1253.
	Amortization of W.R. Grace	5,452			Per amortization schedule.
	Caledonia Fair	5,000			Annual repayment of loan. Schedule per 2001 Act 61 Sec 21.
	North Country Hospital Loan	24,250			New loan repayment beginning 1 year after funds were received (06/30/2007). 2004 Act 121 Sec 3(c).
50300	Liquor Control	836,519			Represents the annual \$263K Direct Application from the Liquor Control Enterprise Fund; plus continued use of \$400K from increased Liquor Control fee revenues and an additional \$173K from projected FY 2008 unrestricted balance. Fees are used to fund treatment for substance abuse.
22005	AHS Central Office earned federal receipts	1,400,000			Earned federal funds anticipated to be available from AHS Central Office in FY09 associated with SCHIP reallocation
21782	Vermont Veterans' Home	1,090,000			Additional amounts available due to cost report retroactive settlements.
21110	Employee Leasing Companies	3,303			Net amount available.
21520	Treasurer's Retirement Admin Cost	440			Balance remaining in the fund used for allocating the Treasurer's costs of managing the retirement systems.
21585	Pers-Human Resourc Development	42,000			Net amount available.
21638	Attny Gen Fees- Reimbursements	1,659,234			Amount available due to higher than anticipated settlements in FY09.
21669	AF&M Pesticide Monitoring	50,000			Net amount available.
21686	AF&M Pesticide Control	75,000			Net amount available.
21844	PERS - Recruitment Services	33,152			Net amount available.
21845	Chittenden COPS Grant	19,492			Residual funding no longer needed.
21848	ED-Private Sector Grants	3,889			Net amount available.

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		Original \$\$	Revised \$\$	Change	Explanation
21870	Misc Special Revenue Fund- Liquor Control (Bus Unit #2300)	1,420			Residual balance from old grant.
21884	Emergency Personnel Survivors' Benefit Fund	50,000			Net amount available.
	Bond Premium	388,239			Premium realized upon issuance of 2007 Series D bond.
59500	Single Audit Internal Service Fund	20,297			\$60K per 2008 Act 192 Sec. 4.002(a)(3)(A), and balance due to savings on new KPMG single audit contract.
21260	Act 250 Permit Fund	100,000			Balances in this fund are used as a safety margin for the Natural Resources Board's operations; this direct application is based on the thus far stable revenue trend and the planned reliance on this special fund for operations in FY2010.
21698	PSD Regulation/Energy Efficiency	345,000			Net amount available.
21709	PSB Special Fund	328,000			Net amount available.
21991	VEDA - Food & Fuel	100,000			From Clean Energy Development Fund, transferred to the Dept of Finance & Management by Emergency Bd 1/13/09. Demand for funds for original purpose has been lower than expected.
<p><u>(2) All or a portion of the unencumbered balances in the insurance regulatory and supervision fund (Fund Number 21075), the captive insurance regulatory and supervision fund (Fund Number 21085), and the securities regulatory and supervision fund (Fund Number 21080), expected to be approximately \$16,035,260 shall be transferred to the general fund, provided that on or before July 1, 2009, the commissioner of banking, insurance, securities, and health care administration certifies to the joint fiscal committee that the transfer of such balances, or any smaller portion deemed proper by the commissioner, will not impair the ability of the department in fiscal year 2010 to provide thorough, competent, fair, and effective regulatory services, or maintain accreditation by the National Association of Insurance Commissioners; and that the joint fiscal committee does not reject such certification.</u></p>					Projected surplus at end of FY 2009.
NOTE: FOR REFERENCE ONLY (NOT PART OF BILL)					
	Total direct applications to GF in BAA (incl. BISHCA) - CONTROL CHECK ONLY	25,868,498			
	Transferred to GF per 2008 Act 192	432,619			
	Transferred to GF per rescission #1	243,000			
	Transferred to GF per rescission #2	342,048			
	Transferred to GF per rescission #1 - liability savings	38,941			
	Transferred to GF per rescission #2 - 5% exec branch salary reduction	122,371			
	Transferred to GF per 2008 Act 206 Sec 4(a) - exempt position savings	148,194			
	Transferred to GF per 2008 Act 206 Sec 4(b) - contractual and temporary reductions	607,244			
	Total direct applications to GF - CONTROL CHECK ONLY	27,802,915			
OTHER FUND TRANSFERS TO THE GF					
	Transferred to GF per 2008 Act 192	6,124,425			
	Transferred to GF per 2008 Act 92 Sec 7	20,000			
	Transferred to GF per rescission #1	5,196,125			
	Transferred to GF per rescission #2	833,000			
	Total other fund transfers to GF - CONTROL CHECK ONLY	12,173,550			
	Unreserved from the Human Services Caseload Reserve per 2008 Act 192	957,703			

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		Original \$\$	Revised \$\$	Change	Explanation
<u>(3) The following amounts shall be transferred from the general fund to the funds indicated:</u>					
58800	To the Facilities Operations Fund	2,318,763			Additional funding required to cover FY09 costs.
21035	To the Stripper Well Settlement Special Fund	6,511	Approx.		Original purpose of fund is satisfied; residual deficit is covered by direct applications to GF from other Petroleum Violation Escrow accounts.
21175	To the Palo Pinto Special Fund	661	Approx.		Original purpose of fund is satisfied; residual deficit is covered by direct applications to GF from other Petroleum Violation Escrow accounts.
21714	To the VT Racing Commission Special Fund	5,206			Racing Commission has been inactive for years, leaving this residual Special Fund negative balance.
21911	To the Sarcoidosis Fund	419,688			Additional funding needed for Sarcoidosis Special Fund.
21555	To the Emergency Relief and Assistance Fund (ERAF)	1,692,096			State match for FEMA disaster grants to towns. The remaining commitment for approved disasters is \$820,113; one disaster pending approval is estimated to be \$130,000; and the current fund deficit is \$741,983.
NOTE: FOR REFERENCE ONLY (NOT PART OF BILL)					
Total transfers from the GF in BAA - CONTROL CHECK ONLY		4,442,925			
OTHER TRANSFERS FROM THE GF (NOT PART OF BILL)					
Transferred from GF per 2008 Act 192		10,866,600			
<u>(4) The following amount shall be transferred between special funds as indicated:</u>					
From the Unemployment Compensation Administration fund # 21360 to the Workers' Compensation Administration fund # 21105		703,171			The transfer cures the deficit in the Workers' Comp Admin fund and still leaves money for the Unemployment division to purchase new IT hardware and software.
<u>(5) The following amounts shall be transferred to the transportation fund from the funds indicated:</u>					
57100	Central Garage Fund	1,485,111			Combined with the repeal of transfers to the central garage fund in 2008 Act 164 Secs. 21 and 28(2) (see word sections, below), this transfer completes the recovery of \$2,865,111 TF, required by reduced TF revenues.
21345	Unorganized Towns-Bennington	241,652			Surplus balance; will be used for the TF revenue shortfall for similar purposes.
21355	Unorganized Towns-Windham	121,180			Surplus balance; will be used for the TF revenue shortfall for similar purposes.
Sec. 73. REVERSIONS					
(a) Notwithstanding any other provisions of law, in fiscal year 2009:					
<u>(1) The following amounts shall revert to the general fund from the accounts indicated:</u>					
2270001000	Vermont Racing Commission	477			Racing Commission has been inactive for years, leaving this GF balance.
3440090000	LIHEAP	1,383,336			State general fund not needed in the program.
1100010000	Secretary of Admin	27,065			Unrestricted RMP funding that is not needed.
1120060000	Human Resources - Workforce Planning	45,493			Net amount available.
1140040000	Homeowner Rebates	45,104			Net amount available.
1140070000	Use Tax Reimbursement Program	58,171			Net amount available.
1140330000	Renter Rebates	40,333			Net amount available.
1210890505	Dairy Policy Cont Consult Services	226			Remains of FY 2005 appropriation (2005 Act 71 Sec 263(g)(19)) for dairy policy consultant.
1210890803	Leg Council - Current Use Tax Study	712			Remains of FY 2008 appropriation (2007 Act 65 Sec 381a(a)(1)) for current use tax study.
1250010000	Auditor of Accounts	23,606			Reversion of FY 2008 carryforward; current appropriation is sufficient for operations.
2100890802	Legal Costs Comp Legal Actions - Attny Gen	5,000			Remains of FY 2007 appropriation (2007 Act 65 Sec 56(d), as amended by 2008 Act 90 Sec 77)) for legal costs from settlements of completed legal

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		Original \$\$	Revised \$\$	Change	Explanation
2130100000	<u>State's Attorneys</u>	66,788			Net amount available.
2230010000	<u>Secretary of State</u>	11,288			Net amount available.
3420890508	<u>Health - Pilot Program</u>	15,000			Remains of FY 2005 appropriation (2005 Act 71 Sec 263(e)(6)) for training and capitated payment to primary care physicians treating Medicaid patients with substance abuse diagnoses.
3420890701	<u>Methamphetamine Precursor Program</u>	20,000			Remains of FY 2006 appropriation (2006 Act 164 Sec 4)) for publicity and education about methamphetamine precursors.
6140880005	<u>152/00 St Asst Munic Poll Cont</u>	381			Balance from a one-time appropriation for state assistance to municipalities for pollution control projects is too small to fund any additional construction projects.
1110890901	<u>VEDA FY 2009 One-Time Appropriation: Targeted Emergency Financing Assistance</u>	500,000			Appropriated in 2008 Act 192 Sec 2.802(a)(5). In spite of actively reviewing labor market data for areas eligible under definition of the statute as soon as new data becomes available and maintaining a vigorous outreach and business development presence throughout the State, VEDA has received no applications from companies in any of the eligible labor markets. At different times since the legislation was enacted there have been only a few (no more than three) eligible labor markets at any one time; it would seem unlikely that eligible companies would not be aware of VEDA and its mission to assist businesses.
NOTE: FOR REFERENCE ONLY (NOT PART OF BILL)					
Total reversions to GF in BAA - CONTROL CHECK ONLY		2,242,980			
Reversions to GF per 2008 Act 192		1,080,000			
Reversions to GF per rescission #1		2,437,718			
Reversions to GF per rescission #2		1,731,145			
Total reversions to GF - CONTROL CHECK ONLY		7,491,843			
<u>(2) The following amounts shall revert to the education fund from the accounts indicated:</u>					
1140050000	<u>Homestead Prop. Tax Assistance</u>	970,497			The new net property tax adjustment program means no cash will flow through this Dept ID and as such any remaining balance can be reverted.
1140330000	<u>Renter Rebates</u>	856,574			Funds remaining after final formula calculation. Formula calculations, based on actual school budgets, were less than appropriation estimates.
5100090000	<u>Education Grant</u>	1,083,408			Funds remaining after final formula calculation. Formula calculations, based on actual school budgets, were less than appropriation estimates.
5100190000	<u>Essential Early Educ Grant</u>	104,082			Funds remaining after final formula calculation. Formula calculations, based on actual school budgets, were less than appropriation estimates.
5100200000	<u>Education-Technical Education</u>	570,327			Funds remaining after final formula calculation. Formula calculations, based on actual school budgets, were less than appropriation estimates.
5100890601	<u>Cncl on Ed Governance Grants</u>	4,823			2005 Act 71 Sec 168a(b). Project has reached completion. The residual balance may be reverted.
Sec. 74.	SECRETARY OF ADMINISTRATION; CARRY FORWARD AUTHORITY				Standard carryforward authority language.
<u>(a) Notwithstanding any other provisions of law and subject to the approval of the secretary of administration, general transportation and education fund appropriations remaining unexpended at June 30, 2009 shall be carried forward and shall be reserved for expenditure.</u>					

Keep: FY 2009 BAA Bill words at end

Sec. 75. FY 2009 RESCISSIONS; JOINT FISCAL COMMITTEE ACTIONS PURSUANT TO 32 V.S.A. SEC. 704(f)
The fiscal year 2009 appropriations passed in Act 192 of the 2008 legislative session have been adjusted by actions of the Joint Fiscal Committee on August 27, 2008 and December 19, 2008, pursuant to 32 V.S.A. Sec. 704(f). In order to provide public access to the fiscal year 2009 expenditure reduction plans duly adopted by the Joint Fiscal Committee, the approved plans and schedules of specific appropriation reductions are on file with the Clerk of the House and the Secretary of the Senate, and posted on the Legislative web site. The appropriation changes and other actions in the fiscal year 2009 budget adjustment act and other acts of the 2009 legislative session are separate from and in addition to the actions of the Joint Fiscal Committee pursuant to 32 V.S.A. Sec. 704(f).

EXPLANATION: Notice to readers of the Budget Adjustment Act that appropriation reductions have been made separate from and in addition to those in the Act.

LANGUAGE AMENDMENTS NEEDED TO CONFORM WITH THE JFC 8/27/08 AND 12/19/08 RESCISSIONS

Sec. 76. Sec. 4.001 of No. 192 of the Acts of 2008 is amended to read:

Sec. 4.001. APPROPRIATIONS; PROPERTY TRANSFER TAX

(a) This act contains the following amounts appropriated from special funds that receive revenue from the property transfer tax. Expenditures from these appropriations shall not exceed available revenues. Notwithstanding Sec. 266(a)(4) of No. 65 of the Acts of 2007:

(1) The sum of \$314,503 is appropriated from the property valuation and review administration special fund to the department of taxes for administration of the use tax reimbursement program. Notwithstanding 32 V.S.A. § 9610(c), amounts above \$314,503 from the property transfer tax that are deposited into the property valuation and review administration special fund shall be transferred into the general fund.

(2) The sum of ~~\$13,383,258~~ \$12,464,095 is appropriated from the Vermont housing and conservation trust fund to the Vermont housing and conservation trust board. Notwithstanding 10 V.S.A. § 312, amounts above ~~\$13,383,258~~ \$12,464,095 from the property transfer tax that are deposited into the Vermont housing and conservation trust fund shall be transferred into the general fund.

(3) The sum of ~~\$4,302,105~~ \$3,449,427 is appropriated from the municipal and regional planning fund. Notwithstanding 24 V.S.A. § 4306(a), amounts above ~~\$4,302,105~~ \$3,449,427 from the property transfer tax that are deposited into the municipal and regional planning fund shall be transferred into the general fund. The ~~\$4,302,105~~ \$3,449,427 shall be allocated as follows:

(A) ~~\$3,011,473~~ \$2,632,027 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) ~~\$860,421~~ \$408,700 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b);

(C) ~~\$430,210~~ \$408,700 to the Vermont center for geographic information.

(4) It is the intent of the general assembly that in fiscal year 2010, the appropriations in this subsection shall increase by at least 4.5 percent.

EXPLANATION: Adjusts appropriations dependent on the property transfer tax consistent with rescissions #1 and #2, resulting in increased revenue to the

General Fund.

Sec. 77. Sec. 5.006(a) of No. 192 of the Acts of 2008 is amended to read:

(a) Of this appropriation, ~~\$150,000~~ \$75,000 is made available for grants to be awarded on a competitive basis among the 11 existing regional marketing programs (RMP). In addition to these funds, any prior fiscal year RMP grant funds not awarded shall carry forward into the current fiscal year unrestricted by prior year requirements and shall be used to meet current year obligations. Any unobligated balance residing in the crossroads regional marketing program grant, as appropriated in Sec. 233a(a)(9) of No. 65 of the Acts of 2007, is hereby relieved of any prior year restrictions and may be used to meet the current year obligations of the RMP as appropriated in this section.

EXPLANATION: Adjusts language consistent with rescissions #1 and #2. It authorizes any unspent RMP and Crossroads balances from prior years to be used to meet current year RMP obligations.

Sec. 78. Sec. 5.013(a) of No. 192 of the Acts of 2008 is amended to read:

(a) Of this general fund appropriation, ~~\$30,000~~ \$6,484 shall be deposited into the armed services scholarship fund established in 16 V.S.A. § 2541.

EXPLANATION: Adjusts transfer to the armed services scholarship fund, consistent with rescission #1.

Sec. 79. Sec. 5.101.1(b) of No. 192 of the Acts of 2008 is amended to read:

~~(b) \$30,000 of this appropriation shall be used for the Vermont sentencing commission recidivism rate analysis by the center for justice research.~~

EXPLANATION: Adjusts language consistent with rescission #1.

Sec. 80. Sec. 111b. of No. 65 of the Acts of 2007, as amended by Sec. 5.203.1 of No. 192 of the Acts of 2008, is further amended to read:

Sec. 111b. CHIROPRACTIC COVERAGE UNDER MEDICAID AND
VHAP

(a) Effective on July 1, 2008 through January 31, 2009, the agency of human services shall reinstate chiropractic coverage for adults in the Medicaid and VHAP programs consistent with section 4088a of Title 8 and at rates comparable to payments for care or services by other health care providers not to exceed Medicare rates. ~~The fiscal year 2009 Medicaid expenditure forecast adopted by the emergency board shall include the reinstatement of chiropractic coverage.~~

EXPLANATION: Chiropractic services were eliminated as part of rescission #2. This amended language will allow implementation of that reduction.

Sec. 81. Sec. 5.310(b) of No. 192 of the Acts of 2008 is amended to read:

(b) Of this appropriation, ~~\$396,115~~ \$380,326 shall be transferred to EPSCoR (Experimental Program To Stimulate Competitive Research) for the purpose of complying with state matching fund requirements necessary for the receipt of available federal or private funds, or both.

EXPLANATION: Adjusts transfer from UVM to EPSCoR, consistent with the reduction taken by UVM in rescission #2.

Sec. 82. Sec. 5.311(b) of No. 192 of the Acts of 2008 is amended to read:

(b) Of this appropriation, ~~\$446,652~~ \$428,786 shall be transferred to the Vermont manufacturing extension center for the purpose of complying with state matching fund requirements necessary for the receipt of available federal or private funds or both.

EXPLANATION: Adjusts transfer from VSC to the Vermont manufacturing extension center, consistent with the reduction taken by VSC in rescission #2.

Sec. 83. Sec. 5.313(c) of No. 192 of the Acts of 2008 is amended to read:

(c) ~~\$350,000~~ \$342,500 of state funds available to the Vermont student assistance corporation pursuant to Sec. 5.107(a) and 5.801(a)(3)(B) of this act shall be used for the purposes of 16 V.S.A. § 2856. Any unexpended funds from these allocations shall carry forward for this purpose.

EXPLANATION: Adjusts language consistent with the reduction taken by the Next Generation program in rescission #1.

Sec. 84. Sec. 5.801 of No. 192 of the Acts of 2008 is amended to read:

Sec. 5.801. FISCAL YEAR 2009 NEXT GENERATION FUND ALLOCATIONS (Sec. 2.801)

(a) The ~~\$8,000,000~~ \$7,293,000 appropriated in Sec. 2.801(a)(1) of this act from the next generation initiative fund, created in 16 V.S.A. § 2887, shall be as follows:

(1) Workforce development ~~\$3,450,000~~ \$3,220,500 as follows:

(A) Workforce Education Training Fund (WETF). The sum of ~~\$1,550,000~~ \$1,472,500 is appropriated to the Vermont workforce education and training fund, which is administered by the department of labor, for workforce development. Up to seven percent (7%) of the funds may be used for administration of the program.

(B) Vermont Training Program. The sum of ~~\$750,000~~ \$712,500 is appropriated to the agency of commerce and community development. This appropriation is for the Vermont training program for the issuance of grants pursuant to 10 V.S.A. § 531.

(C) Career and Alternative Workforce Education. The amount of ~~\$450,000~~ \$387,500 is appropriated to the department of labor. This appropriation shall be to support out-of-school youth, youth at risk, and youth at risk of remaining unemployed with outcomes that lead to employment or continued education as follows:

(i) ~~Forty-five~~ Fifty-two and three tenths percent (~~45%~~) (52.3%) shall be for grants to regional technical centers, comprehensive high schools, and other programs for career exploration programs for students entering grades 7 through 12.

(ii) ~~Fifty-five~~ Forty-seven and seven tenths percent (~~55%~~) (47.7%) shall be for grants to regional technical centers, comprehensive high schools, the community high school of Vermont, and non-profit organizations, designated by the workforce development council, for alternative and intensive vocational/academic programs for secondary students in order to earn necessary credits toward graduation.

(D) Adult Technical Education Programs. The amount of ~~\$450,000~~ \$410,500 is appropriated to the department of labor, working with the workforce development council. This appropriation is for the purpose of awarding grants to regional technical centers and comprehensive high schools to provide adult technical education, as that term is defined in 16 V.S.A. § 1522, to unemployed and underemployed Vermont adults.

(E) UVM Technology Transfer Program. The amount of ~~\$250,000~~ \$237,500 is appropriated to the University of Vermont. This appropriation is for patent development and commercialization of technology created at the university for the purpose of creating employment opportunities for Vermont residents.

(2) Loan repayment ~~\$500,000~~ \$475,000 as follows:

(A) The sum of ~~\$500,000~~ \$475,000 is appropriated to the agency of human services Global Commitment for the department of health to use for health care loan repayment. The department shall use these funds for a grant to the area health education centers (AHEC) for repayment of commercial or governmental loans for postsecondary health care-related education or training owed by persons living and working in Vermont in the health care field.

(3) Scholarships and grants ~~\$4,050,000~~ \$3,597,500 as follows:

(A) Non-degree VSAC Grants. The amount of ~~\$750,000~~ \$712,500 is appropriated to the Vermont student assistance corporation. This appropriation shall be for the purpose of providing non-degree grants to Vermonters to improve job skills and increase overall employability enabling them to enroll in a post-secondary education or training program, including adult-technical education that is not part of a degree or accredited certificate program. A portion of this appropriation shall be used for grants for indirect educational expenses to students enrolled in training programs. The grants shall not exceed \$3,000 per student. None of this appropriation shall be used for administrative overhead.

(B) The sum of ~~\$3,000,000~~ \$2,600,000 is appropriated for awarding need-based scholarships to Vermont residents. The first ~~\$150,000~~ \$142,500 shall be distributed to the Vermont student assistance corporation to fund the national guard educational assistance program established in 16 V.S.A. § 2856. ~~\$950,000~~ \$819,166 shall be distributed to the University of Vermont, ~~\$950,000~~ \$819,166 to the Vermont state colleges, and ~~\$950,000~~ \$819,166 to the Vermont student assistance corporation. The Vermont student assistance corporation shall reserve these funds for students attending institutions other than the University of Vermont or the Vermont state colleges. None of the ~~\$3,000,000~~ \$2,600,000 appropriation shall be used for administrative overhead.

(C) Dual Enrollment Programs. The sum of ~~\$300,000~~ \$285,000 is appropriated to the Vermont state colleges for dual enrollment programs. The state colleges shall develop a voucher program that will allow Vermont students to attend programs at a postsecondary institution other than the state college system when programs at the other institution are better academically or geographically suited to student need.

EXPLANATION: Rescissions #1 and #2 reduced appropriations from the Next Generation Initiative Fund by a total of \$707,000, and that amount was transferred to the General Fund. The Next Generation reduction was distributed as shown.

Sec. 85. Sec. 5.802 of No. 192 of the Acts of 2008 is amended to read:

Sec. 5.802. SETTLEMENT CONTINGENT APPROPRIATIONS (Sec. 2.803)

(a) The first ~~\$5,566,045~~ ~~\$2,300,000~~ of any amount of bank franchise tax, and associated penalty and interest, due to the general fund resulting from a court decision and received ~~after May 1, 2008 in fiscal year 2008 or~~ in fiscal year 2009 shall be reserved and is hereby appropriated ~~or transferred as follows:~~

(1) ~~First, \$1,000,000 is appropriated to the Vermont housing and conservation board;~~

(2) ~~Second, \$2,266,045 is appropriated to the higher education entities as follows:~~

(A) ~~\$1,056,796 to the University of Vermont.~~

(B) ~~\$730,405 to the Vermont state colleges of which \$100,000 is for use as the state's fiscal year 2009 contribution toward the growth of the endowment fund for the Vermont state colleges. The state's funds are to serve as a challenge match to enhance the state colleges' ability to secure endowment contributions from alumni and other interested parties. The intent is that the fiscal year 2009 appropriation will be the first of five annual appropriations through fiscal year 2013 totaling \$500,000. The conditions of this challenge match are that the state colleges are required to raise three dollars for each dollar appropriated by the state. A method for accounting for the state colleges' share has been agreed to between the state colleges and the commissioner of finance and management. Transfers to the state colleges' endowment fund shall be under the condition that only the interest accruing to the fund will be available for purposes as designated by the board of trustees of the state colleges. By June 30, 2014, any remaining state appropriations designated for the state colleges' endowment fund that have not been matched by the state colleges shall revert to the general fund.~~

(C) ~~\$478,844 to the Vermont student assistance corporation.~~

(3) ~~Third, \$2,300,000 is appropriated to the teachers' retirement fund.~~

(b) ~~In the event that settlement funds as specified in subsection (a) are not received by January 1, 2009, the administration shall consider funding the above appropriations and transfers in the fiscal year 2009 adjustment process.~~

EXPLANATION: Adjusts language consistent with rescission #1, retaining only the \$2.3M Settlement Contingent appropriation to the teachers' retirement fund.

Sec. 86. 16 V.S.A. Sec. 4011 is amended to read:

Sec. 4011 Education payments

* * *

(h) The commissioner shall make all payments required by subchapter 5 of chapter 23 of this Title.

(i) Annually, by October 1, the commissioner shall send to school boards for inclusion in town reports and publish on the department website the following information:

- (1) the statewide average district spending per equalized pupil for the current fiscal year; and 125 percent of that average spending; and
- (2) a statewide comparison of student-teacher ratios among schools which are similar in number of students and number of grades.

EXPLANATION: Payments related to drivers' education were converted from General Fund and Transportation Fund to the Education Fund as part of rescission #2. This amendment authorizes such payments from the Education Fund.

Sec. 87. SALARY REDUCTIONS; EXEMPT EXECUTIVE BRANCH EMPLOYEES

(a) Notwithstanding statutory salaries to the contrary, in fiscal years 2009 and 2010, exempt executive branch employees may decline to accept their full statutory salaries.

EXPLANATION: Rescission #2 included a 5% reduction for executive branch exempt employees whose salaries are above \$60K. The State's Attorneys, Sheriffs and the Public Service Board Chair and 2 PSB members have accepted the 5% salary reduction, but as their salaries are set in statute (see 32 VSA Secs 1183(a), 1182, and 1012), language is needed to permit them to decline their full statutory amount.

REGULAR BAA LANGUAGE

Sec. 88. Sec. 5.005(d) of No. 192 of the Acts of 2008 is amended to read:

(d) The secretary of administration is directed to reduce ~~travel~~ budgets throughout the executive branch of state government, thereby reducing operating expense, including travel, appropriations by \$998,627 general fund and \$222,724 Global Commitment fund. This shall be accomplished through a combination of general fund reductions and direct applications to the general fund from alternative fund reductions. The secretary shall provide an update to the joint fiscal committee in November 2008 on these reductions.

EXPLANATION: In a few programs, a reduction in travel would have damaging consequences, so other categories of expenditure reduction should be allowed. In addition, the General Fund reduction in the AHS Secretary's Office causes a Global Commitment reduction in AHS Departments.

Sec. 89. Sec. 4 of No. 206 of the Acts of 2008 is amended to read:

Sec. 4. APPROPRIATION REDUCTIONS

(a) Position reductions. The secretary of administration shall reduce fiscal year 2009 general fund appropriations in the executive branch of state government by an amount expected to be approximately \$3,670,000.00 consistent with reductions in positions in the executive branch. In addition, the secretary of administration shall reduce fiscal year 2009 general fund appropriations in the executive branch of state government by an amount

expected to be approximately \$250,000.00 by not filling up to four exempt positions, not including attorneys and clerical personnel. In order to maintain direct services to Vermonters, the secretary shall give preference to reducing those positions which do not provide those direct services. The secretary of administration may substitute appropriation reductions in other funds, and in fund transfers to the general fund, to achieve these amounts, and may reduce Global Commitment appropriations correspondingly. The secretary shall provide a report to the house and senate committees on appropriations and government operations in ~~January~~ February 2009 that lists all appropriation reductions, transfers, and substitutions within fiscal year 2009 appropriated funds ~~that are proposed~~ to achieve the general fund savings in this subsection.

(b) ~~Reductions in contractual services and temporary positions.~~ The secretary of administration shall reduce fiscal year 2009 general fund appropriations budgeted for ~~contractual services and temporary positions~~ in the executive branch of state government by \$2,300,000.00. The secretary of administration may substitute appropriation reductions in other funds, and in fund transfers to the general fund, to achieve this amount, and may reduce Global Commitment appropriations correspondingly. The secretary shall provide a report to the house and senate committees on appropriations and government operations in January 2009 that lists all appropriation reductions, transfers, and substitutions within fiscal year 2009 appropriated funds ~~that are proposed~~ to achieve the general fund savings in this subsection.

EXPLANATION: The \$3.67M and \$250K reductions in subsection (a) have not yet been effectuated, and savings may in fact not reach those amounts. To reach the savings in subsection (b), some amount of latitude is necessary, to permit reductions in expenditures besides contractual services and temporary positions. In both subsections (a) and (b), where reductions free up funds other than General Fund, such substitutions and resulting fund transfers should be allowed to achieve the maximum General Fund benefit.

Sec. 90. Sec. 6(b)(1) of No. 206 of the Acts of 2008 is amended to read:

(1) The allocation by department and section from the fiscal year ~~2008~~ 2009 pay act appropriation and the appropriations for pay act needs of this act and any other offsets to meet pay act needs;

EXPLANATION: Technical correction of date in November, 2008 pay act report.

Sec. 91. 32 V.S.A. Sec. 704 is amended to read:

Sec. 704. Interim budget and appropriation adjustments

(a) The general assembly recognizes that acts of appropriations and their sources of funding reflect the priorities for expenditures of public funds enacted by the legislature, and that major reductions or adjustments ~~in such appropriations~~, when required by reduced state revenues or other reasons, ought to be made whenever possible by an act of the legislature reflecting its revisions of those priorities. Nevertheless, if the general assembly is not in session, authorized appropriations and their sources of funding may be ~~reduced~~ adjusted and funds may be transferred pursuant to the provisions of this section.

(b)(1) If the official state revenue estimates of the emergency board for the general fund, the transportation fund, or federal funds, determined under section 305a of this title have been reduced by one percent or more from the estimates determined and assumed for purposes of the general

appropriations act or budget adjustment act, and if the general assembly is not in session, in order to ~~reduce~~ adjust appropriations and their sources of funding under this subdivision the secretary shall prepare a plan ~~to reduce appropriations~~ for approval by the joint fiscal committee, and authorized appropriations and their sources of funding may be ~~reduced~~ adjusted and funds transferred pursuant to ~~an expenditure reduction~~ a plan approved under this section.

(2) If the secretary of administration determines that the current fiscal year revenues for the general fund, transportation fund, or federal funds are likely to be reduced from the official revenue estimates by less than one percent, the secretary may prepare and implement an expenditure reduction plan, and implement appropriations reductions in accordance with the plan. The secretary may implement a plan under this subdivision without the approval of the joint fiscal committee if reductions to any individual appropriation do not exceed five percent of the appropriation's amount for personal services, operating expenses, grants, and other categories, and provided that the plan is designed to minimize any negative effects on the delivery of services to the public, and shall not have any unduly disproportionate effect on any single function, program, service, or benefit. Plans not requiring the approval of the joint fiscal committee shall be filed with the joint fiscal office prior to implementation. If the secretary's plan consists of disproportionate reductions greater than five percent in any line item, such plan shall not be implemented without the approval of the joint fiscal committee.

~~(c) An expenditure reduction plan prepared by the secretary shall indicate all proposed reductions in expenditures authorized by a general appropriations or budget adjustment act, and shall indicate the effect of the expenditure reduction on the primary purposes of the program for which the appropriation was made.~~

~~(d) An expenditure reduction~~ A plan prepared for approval by the joint fiscal committee by the secretary shall indicate the amounts to be ~~reduced from adjusted in~~ each appropriation, and ~~from in~~ personal services, operating expenses, grants, and other categories, shall indicate the effect of the adjustment in appropriations and their sources of funding, and any fund transfers, on the primary purposes of the program, and shall indicate how it is designed to minimize any negative effects on the delivery of services to the public, and any unduly disproportionate effect the plan may have on any single function, program, service, or benefit.

~~(e)~~ (d) An expenditure reduction plan under subdivision (b)(2) of this section shall not include any reduction in:

- (1) appropriations authorized and necessary to fulfill the state's debt obligations;
- (2) appropriations authorized for the judicial or legislative branches, except that the plan may recommend reductions for consideration by the judicial or legislative branches; or
- (3) appropriations for the salaries of elected officers of the executive department listed in subsection 1003(a) of this title.

~~(f)~~ (e) The joint fiscal committee may approve ~~an expenditure reduction~~ a plan submitted under subdivision (b)(1) of this section upon affirmative vote of a majority of the members of the committee. If the committee fails to take final action on such plan within 21 days of its submission to the committee it shall be deemed to be approved. For purposes of this section the committee shall be convened at the call of the chair or at the request of at least three members of the committee. If the committee disapproves the plan, in order to communicate the priorities of the general assembly, the committee shall make recommendations to the secretary for amendments to the plan. The secretary may resubmit a plan to the committee for approval. A disapproved plan shall not be implemented. In the event of an additional reduction in the official state revenue estimate, the secretary of administration may request approval of an amended ~~expenditure reduction~~ plan. In determining whether to approve the secretary's plan the committee shall consider whether the plan minimizes any negative effects on the delivery of services to the public, and whether the plan will have any unduly disproportionate effect on any single function, program, service, or benefit.

~~(g)~~ (f) In the event of a reduction in the official revenue estimate of one percent or more, the secretary may implement an expenditure reduction plan in the manner provided for in subdivision (b)(2) of this section, provided that the reduction in appropriations is not greater than one percent of the prior official revenue estimate.

EXPLANATION: Current statutory rescission language contemplates appropriation reductions as the only response to declining revenues. In fact, our recent rescission plans submitted to and approved by the Joint Fiscal Committee have included some appropriation increases (in special funds and interdepartmental transfers) as offsets to general fund appropriation reductions, intended to “minimize negative effects” (as required in subsection (d) of the current law, above). Furthermore, other available fund balances and appropriation reductions in non-general funds may yield beneficial transfers to the general fund – possibilities not considered in the current law. Finally, while the JFC accepted these strategies in the Administration’s rescission plans, in the absence of other authority, the fund transfers required additional approval by the Emergency Board, under 32 VSA Sec 706(2). If the JFC can approve the plan, all components of the plan, including fund transfers, should be effectively approved at the same time – instead of requiring further Emergency Board action. The statutory rescission language should facilitate an expeditious and straightforward response to declining revenues.

Sec. 92. REPEAL

(a) Secs. 21 and 28(2) of No. 164 of the Acts of 2008 (transfers from the transportation fund to the central garage fund) are repealed.

EXPLANATION: Expenditures from the central garage fund are being reduced in the two rescissions and the Budget Adjustment, by a total of \$2,865,111, in order to reduce the need for the same amount of transportation fund to support the central garage fund. This section cancels two transfers from the transportation fund, yielding \$1,380,000. An additional transfer from the central garage fund to the transportation fund of \$1,485,111 (see “fund transfers” section of the budget adjustment, above) will complete the recovery of \$2,865,111.

Sec. 93. Sec. 5.600 of No. 192 of the Acts of 2008 is amended to read:

(a) Of this appropriation, ~~\$5,657,375~~ \$2,959,855 is appropriated from the transportation equipment replacement account within the central garage fund for the purchase of equipment as authorized in 19 V.S.A. § 13(b).

EXPLANATION: The two rescissions and the Budget Adjustment reduced central garage fund expenditures by \$2,865,111. \$167,591 of these savings is associated with general and auto liability insurance savings due to a premium rate holiday in FY 2009 (see rescission #1), which are not part of the transportation equipment replacement account. That account is therefore reduced by only \$2,697,520.

Sec. 94. REPEAL

(a) Sec. 406(c) of No. 65 of the Acts of 2007 (sunset on \$5,000 grant review threshold) is repealed.

EXPLANATION: The threshold for JFC grant review was raised from \$1,000 to \$5,000 in 2007 Act 65 Sec 394. The threshold was scheduled to revert to \$1,000 on 6/30/09 unless the JFC voted to retain the higher threshold, and the sunset is repealed. The JFC voted to retain the \$5,000 threshold at their 11/18/08 meeting. This section repeals the sunset.

Sec. 95. 32 V.S.A. Sec. 305a(c) is amended to read:

(c) The January estimates shall include estimated caseloads and estimated per member per month expenditures for the current and next succeeding fiscal years for each Medicaid enrollment group as defined by the agency and the joint fiscal office for state health care assistance programs or premium assistance programs supported by the state health care resources and Global Commitment funds, for VermontRx, and for the programs under the Choices for Care Medicaid Section 1115 waiver. For VPharm, the estimates shall include estimated caseloads and estimated per-member per-month expenditures for the current and next succeeding fiscal years by income category. The estimates shall include the expenditures for the current and next succeeding fiscal years for the Medicare Part D phased-down state contribution payment and for the disproportionate share hospital payments.

EXPLANATION: Current statute requires July and January updates of estimated caseloads and estimated per member per month expenditures for the current and next succeeding fiscal years for each Medicaid enrollment group. The July update is based primarily on the most recently passed budget, and therefore does not contain new information.

Sec. 96. Sec. 5.112(b) of No. 192 of the Acts of 2008 is amended to read:

(b) The secretary of state is authorized to spend, in addition to its appropriation in this ~~act~~ section, up to \$450,000 for the purpose of conducting the 2008 primary and general elections, and it is the intent of the general assembly to provide an additional appropriation in this amount in the fiscal year 2009 budget adjustment act if funding is not available through Sec. 5.803 of this act.

EXPLANATION: Technical correction. The \$450K referenced in the section is separately appropriated in 2008 Act 192 Sec 5.803(a)(3)(A) as part of the FY 2008 “waterfall”.

Sec. 97. Sec. 26(a) of No. 174 of the Acts of 2008 is amended to read:

(a) The amount of ~~\$883,000.00~~ \$500,000.00 from the victims’ compensation fund created by 13 V.S.A. § 5359 ~~shall be available~~ is appropriated in FY 2009 for the center for crime victim services for the Vermont network against domestic and sexual violence. This amount shall be used to fund domestic violence prevention programs and services in order to break the generational cycle of domestic violence and to support the victims of domestic and sexual violence. Additional expenditures may be authorized pursuant to 32 V.S.A. Sec. 511 if the revenues collected in fiscal year 2009 from the \$10.00 increase authorized by 2008 Act 174 Sec. 20 applied to the assessment in 13 V.S.A. Sec 7282(a)(8)(B), and from the \$20.00 authorized by 2008 Act 174 Sec. 21 applied to the fee in 32 V.S.A. Sec. 1712(1), exceed the \$500,000.00 appropriation.

EXPLANATION: This appropriation is reduced because the estimated amount to be collected from the related increase in fees is expected to be lower than initially projected, due mainly to the timing of collection of these revenues. In case more revenue is realized in FY 2009 than the reduced \$500,000 appropriation, excess receipts can be used to increase the expenditures. There is also a technical correction related to the use of the phrase “shall be available.” The proper term is “appropriated”.

Sec. 98. 32 V.S.A. Sec. 308c is amended to read:

Sec. 308c. General fund and transportation fund surplus reserves

(a) There is hereby created within the general fund a general fund surplus reserve. After satisfying the requirements of section 308 of this title, and after other reserve requirements have been met, any remaining unreserved and undesignated end of fiscal year general fund surplus not to exceed one percent of the appropriations from the general fund for the prior fiscal year shall be reserved in the general fund surplus reserve. Monies from this reserve shall be available for appropriation by the general assembly.

(b) There is hereby created within the transportation fund a transportation fund surplus reserve. After satisfying the requirements of section 308a of this title, and after other reserve requirements have been met, any remaining unreserved and undesignated end of fiscal year transportation fund surplus shall be reserved in the transportation fund surplus reserve. Monies from this reserve shall be available for appropriation by the general assembly.

~~(c) The general fund surplus reserve created in subsection (a) of this section shall supersede and replace the general fund surplus reserve established in Sec. 277(5) of No. 147 of the Acts of the 1997 Adj. Sess. (1998), as amended by Sec. 88 of No. 1 of the Acts of 1999.~~

EXPLANATION: Amendments to Secs 308c and 308d clarify that any unreserved and undesignated general fund surplus in excess of 1% of the prior year’s general fund appropriation will be held in the revenue shortfall reserve; and that the Commissioner of Finance and Management shall report the amount in the revenue shortfall reserve to the JFC at its first meeting following September 1 of each year.

Sec. 99. 32 V.S.A. Sec. 308d is amended to read:

Sec. 308d. Revenue shortfall reserve; creation and purpose

(a) It is the purpose of this section to create a revenue shortfall reserve to be used in times of economic or fiscal stress.

(b) There is hereby created a revenue shortfall reserve administered by the commissioner of finance and management. Any budgetary basis unreserved and undesignated general fund surplus ~~in excess of one percent~~ occurring at the close of a fiscal year after the general fund budget stabilization reserve established by Sec. 308 of this title has been brought to its authorized level and after any deposits to the general fund surplus reserve established by Sec. 308c(a) of this title, and any additional amounts as may be authorized by the general assembly, shall be reserved in the revenue shortfall reserve created by this section.

(c) In any fiscal year, if the general assembly determines there are insufficient revenues to fund expenditures for the operation of state government at a level the general assembly finds prudent and required, it may specifically appropriate the use of the revenue shortfall reserve to compensate for a reduction of revenues or fund such needs as the general assembly may determine.

(d) Determination of the amount of the revenue shortfall reserve shall be made by the commissioner of finance and management ~~with the approval of and reported to the legislative joint fiscal committee at its first meeting following September 1 of each year.~~

EXPLANATION: See explanation for amendment to Sec 308c, above.

Sec. 100. Sec. 23(e) of No. 203 of the Acts of 2008 is amended to read:

(e) The sum of \$100,000.00 is appropriated from the general fund to the UVM College of Medicine in fiscal year 2009 to support the Vermont academic detailing program, ~~provided that such appropriation shall expire upon collection of the first dollar of the manufacturer fee established in section 2004 of Title 33 and all funds remaining from this appropriation shall be redeposited in the general fund.~~

EXPLANATION: This provision is unworkable. Amounts paid to UVM cannot be recalled “upon collection of the first dollar of the manufacturer fee”.

Sec. 101. 13 V.S.A. Sec. 5363(h) is amended to read:

(h) Notwithstanding anything in this section or any other provision of law to the contrary, revenue from the surcharge fees deposited into the crime victims' restitution special fund shall be used ~~exclusively~~ to support the restitution unit and restitution for crime victims, and ~~for no other purpose as otherwise authorized by the general assembly.~~

EXPLANATION: The crime victims' restitution fund has been legislatively appropriated in several other programs, such as Corrections victims services, Children and Families domestic violence, State's Attorneys Special Investigative Units, and in the Dept Labor.

Sec. 102. 30 V.S.A. Sec. 7052 is amended to read:

Sec.7052 Vermont enhanced 911 board

* * *

(b) The board shall consist of nine members: one county law enforcement officer elected by the membership of the Vermont state sheriff's association; one municipal law enforcement officer elected by the chiefs of police association of Vermont; one official of a municipality ~~not currently receiving 911 service~~; a firefighter; an emergency medical services provider; a department of public safety representative; and three members of the public. Board members shall be appointed by the governor to three-year terms, except that the governor shall stagger initial appointments so that the terms of no more than four members expire during a calendar year. In appointing board members, the governor shall give due consideration to the

different geographical regions of the state, and the need for balance between rural and urban areas. Board members shall serve at the pleasure of the governor.

* * *

EXPLANATION: All municipalities are now receiving 911 service.

Sec. 103. 32 V.S.A. Sec. 464 is amended to read:

Sec. 464. Itemized statements and receipts required

When required by the commissioner of finance and management and before payment therefor is made by the state, all claimants for compensation for services rendered or expense incurred for the state shall furnish the commissioner of finance and management itemized statements in such form as the commissioner of finance and management may from time to time prescribe and shall be verified by written declarations or, if specifically authorized by the commissioner of finance and management, by electronic signature as defined at 9 V.S.A. Section 271(9) that they are made under the pains and penalties of perjury, and a person who wilfully makes a false statement shall be guilty of perjury and be punished accordingly.

EXPLANATION: Complete implementation of the Time & Labor payroll module will require on-line input by employees and supervisors, with electronic signatures for certification.

Sec. 104. Sec. 5.005(k) of No. 192 of the Acts of 2008 is amended to read:

~~(k) The secretary of administration is directed to initiate a program by September 30, 2008 which requires all state employees to receive paperless notification of their direct deposit payroll advice. The secretary and representatives of the Vermont state employees' association are encouraged to meet to determine the most expeditious and efficient means of implementing this section~~ Beginning in fiscal year 2009, all persons who are paid through the state payroll system must be paid by direct deposit and receive electronic notification of pay information unless excused for good cause by the commissioner of finance and management or designee, whose decision on excusal shall be final.

EXPLANATION: The amendment recognizes full implementation of direct deposit and paperless pay advices, which was achieved in January.

AHS LANGUAGE

Sec.105. OFFICE OF VERMONT HEALTH ACCESS; DENTAL SERVICES

(a) The office of Vermont health access shall reduce the cap on adult dental services in Medicaid to \$200.00 per calendar year, effective April 1, 2009, beginning for calendar year 2009.

EXPLANATION: There will be a reduction in the adult cap on dental benefits from \$495 to \$200 effective April 1, 2009.

Sec. 106. AGENCY OF HUMAN SERVICES; EMERGENCY RULEMAKING

(a) Authority for emergency rulemaking is granted to the agency of human services in order to control expenditures in the Medicaid program in a timely manner, respond to the fiscal crisis in the Medicaid program, and retain Medicaid funds available to support essential programs for truly needy applicants and recipients. Therefore, the secretary of the agency of human services may adopt emergency rules pursuant to section 844 of Title 3 in order that the changes reflected in Secs. 80, 105 and 109 of this act may be implemented no later than April 1, 2009.

(b) Notwithstanding any provisions to the contrary in 3 V.S.A. chapter 25, the commissioner of the department for children and families may adopt rules in order that changes reflected in Secs. 114 - 117 of this act shall be implemented no later than April 1, 2009. These rules shall be effective upon filing with the secretary of state, and the changes authorized therein shall be implemented no sooner than 10 days following the mailing of adverse action notice and shall have the full force and effect of rules adopted pursuant to 3 V.S.A. chapter 25. Any such rules filed by the commissioner with the secretary of state shall be deemed to be in full compliance with 3 V.S.A. § 843 and shall be accepted by the secretary of state, if filed with a certification by the commissioner that the rule is required to meet the purposes of this section. Rules adopted under this subsection shall remain in effect until December 31, 2009 unless amended before that date by rules adopted pursuant to 3 V.S.A. chapter 25.

EXPLANATION: Certain benefit changes cannot be made by April 1, 2009 without emergency rulemaking authority.

Sec. 107. OFFICE OF VERMONT HEALTH ACCESS; PROVIDER REIMBURSEMENT

(a) The office of Vermont health access shall reduce reimbursement rates by approximately 4% for most services except dentists, hospitals, hospices, and nursing homes, rural health center and federally qualified health center encounter rates, and evaluation and management physician codes (CPT 99XXX codes). These changes are effective with dates of service beginning March 15, 2009.

EXPLANATION: There will be a reduction in provider reimbursement by 4% effective March 15, 2009.

Sec. 108. MEDICARE CROSSOVER PAYMENTS

Effective with dates of service April 1, 2009 and later, Medicare crossover payments for deductibles and coinsurance made by the office of Vermont health access will be limited to State plan rates and payment methodologies.

EXPLANATION: Medicaid crossover claims are claims for individuals who are covered by both Medicare and Medicaid (dual eligibles). Medicaid is always the payer of last resort; therefore, Medicare would process the claim first as primary, and then Medicaid would process any balances as secondary. Medicare covered claims are subject to an annual deductible. Once that is met, Medicare will pay 80% up to the allowed amount with a couple of exceptions. This leaves non-covered services, deductible and co-insurance to be considered by Medicaid for payment. Claims covered by Medicare that are presently submitted to Medicaid for consideration are paid without regard to Medicaid's fee schedule, paying both the deductible

and co-insurance left after they are processed by Medicare. These claims are paid at a rate higher than individuals covered only by Medicaid for services when Medicare's fee schedule is higher than Medicaid. We will be changing the way that we pay these claims and we will begin to pay these claims at the Medicaid rate rather than the Medicare rate.

Sec. 109. 33 V.S.A. § 2073 is amended to read:

Sec. 2073. ~~V-pharm assistance program~~ Supplemental pharmaceutical assistance for Medicaid beneficiaries

(a) ~~Effective January 1, 2006, the V Pharm program is established as a state pharmaceutical assistance program to provide supplemental pharmaceutical coverage to Medicare beneficiaries. The supplemental coverage under subsection (c) of this section shall provide only the same pharmaceutical coverage as the Medicaid program to enrolled individuals whose income is not greater than 150 percent of the federal poverty guidelines and only coverage for maintenance drugs for enrolled individuals whose income is greater than 150 percent and no greater than 225 percent of the federal poverty guidelines. To be eligible for supplemental pharmaceutical assistance, an individual must be enrolled in (1) the Medicaid program and (2) either a Medicare part D prescription drug plan (PDP) or a Medicare Advantage plan that includes a prescription drug benefit (MA-PD).~~

(b) ~~Any individual with income no greater than 225 percent of the federal poverty guidelines participating in Medicare part D, having secured the low income subsidy if the individual is eligible and meeting the general eligibility requirements established in section 2072 of this title, shall be eligible for V-Pharm. If an individual is eligible for the supplemental pharmaceutical assistance provided for in this section, the state shall pay for:~~

(c) ~~V-Pharm shall provide supplemental benefits by paying or subsidizing:~~

(1) ~~the actual Medicare part D prescription drug programs, except for any late enrollment penalties, provided that OVHA may pay or subsidize a higher premium for a Medicare part D prescription drug plan offering expanded benefits if it is cost effective to do so;~~

(2) ~~any other cost sharing required by Medicare part D, except for co-payments for individuals eligible for Medicaid;~~

~~(3) (1) the following pharmaceuticals if they are not covered by the individual's Medicare part D prescription drug plan: pharmaceuticals or classes of pharmaceuticals, or their medical uses, which may be excluded from coverage or otherwise restricted under Medicaid under Section 1927(d)(2) or (3) of the Social Security Act; and~~

~~(4) (2) pharmaceuticals that are not covered after the individual has exhausted the Medicare part D prescription drug plan's appeal process or the prescription drug plan's transition plan approved by the Centers for Medicare and Medicaid Services, and that are deemed medically necessary by the individual's prescriber in a manner established by the director of the office of Vermont health access. The coverage decision under this subdivision shall not be subject to the exceptions process established under Medicaid. An individual may appeal to the human services board or pursue any other remedies provided by law.~~

(c) Individuals who receive supplemental pharmaceutical assistance remain responsible for: (1) Medicare drug co-payments and (2) Medicaid co-payments when Medicaid is the primary payer of the drug.

(d) Individuals who are eligible for a Medicare part D benefit but who do not (1) enroll in either a PDP or an MA-PD and (2) who do not have creditable coverage according to Medicare part D rules, are not eligible for any Medicaid pharmaceutical benefit.

~~(d)(1) The secretary of the agency of human services shall develop by rule the manner by which an individual shall contribute the individual's cost established in subdivision (2) of this subsection, except that individuals eligible for Medicaid shall only be subject to the cost-sharing requirements~~

~~established by Medicaid and Medicare. The rule shall seek to minimize the possibility of inadvertent loss of eligibility for Medicare part D and V-Pharm benefits. Prior to filing the rule, the secretary shall submit the proposed rule to the health access oversight committee. The health access oversight committee shall review and advise on the agency rules and policies developed under this subsection and shall submit for consideration any recommendations to the joint legislative committee on administrative rules.~~

~~(2) An individual shall contribute the following base cost sharing amounts which shall be indexed to the increases established under 42 C.F.R. § 423.104(d)(5)(iv) and then rounded to the nearest dollar amount:~~

~~(A) In the case of recipients whose household income is no greater than 150 percent of the federal poverty level, such premium shall be \$17.00 per month.~~

~~(B) In the case of recipients whose household income is greater than 150 percent of the federal poverty level and no greater than 175 percent of the federal poverty level, the premium shall be \$23.00 per month.~~

~~(C) In the case of recipients whose household income is greater than 175 percent of the federal poverty level and no greater than 225 percent of the federal poverty level, the premium shall be \$50.00 per month.~~

~~(e) In order to ensure the appropriate payment of claims, OVHA may expand the Medicare advocacy program established under chapter 67 of this title to individuals receiving benefits from the V-Pharm program.~~

~~(f) A manufacturer of pharmaceuticals purchased by individuals receiving assistance from VPharm established under this section shall pay to OVHA, as a condition of participation in the program, a rebate in an amount at least as favorable as the rebate paid to OVHA in connection with the Medicaid program.~~

EXPLANATION: The VPharm program is being eliminated.

Sec. 110. OFFICE OF VERMONT HEALTH ACCESS; DEPUTY DIRECTOR

(a) An exempt position – deputy director for health care reform - is authorized in the office of Vermont health access. This position shall be transferred and converted from existing positions in the executive branch.

EXPLANATION: The transfer of the Director of Health Care Reform to also become the Director of the Office of Vermont Health Care Access (OVHA), and prominence of health care reform requires specialized and highly qualified staff to assist the Director of OVHA in this effort.

Sec. 111. REPEAL

(a) Sec. 5 of No. 203 of the Acts of 2008 (expanding access to Catamount health) is repealed.

EXPLANATION: The Health Care Reform Bill (2008 Act 203) includes language that reduces the “waiting period” for coverage under Catamount Health from 12 months to 6 months. This language would increase enrollment in Catamount Health and therefore increase our costs.

(b) Sec. 2(c) of No.71 of the Acts of 2007, as amended by Sec. 5.903 of No. 192 of the Acts of 2008 (retroactive enrollment eligibility for VHAP) is repealed.

EXPLANATION: Eliminates requirement to pay for VHAP enrollment retroactive to the date the application was received by OVHA.

Sec. 112. 2007 ACT 80; DELAYED IMPLEMENTATION OF CERTAIN PROVISIONS

(a) Notwithstanding the provisions of No. 80 of the Acts of 2007, the secretary of human services, the director of the office of Vermont access and the commissioner of the department of health are authorized to delay implementation of the following statutory provisions consistent with the resolution of the pending related litigation:

- 33 V.S.A. § 1998(a)(7), and (c)(1), (f)(6) and (g) (joint pharmaceuticals purchasing consortium)
- 18 V.S.A. §4622 (evidence-based education program; generic drug voucher program) and the related requirements of 2007 Act 80 found in Sec. 15 (generic drug voucher pilot program); Sec. 15a (generic drug voucher pilot; report); and Sec. 16 (prescription drug pricing; federally qualified health centers).
- 18 V.S.A. §4631 (confidentiality of prescription information), except that the department of health and the office of professional regulation may take any necessary rulemaking, revision of forms, or other administrative actions necessary to implement the program established in 18 V.S.A. chapter 91, subchapter 3 on July 1, 2009 or as consistent with the resolution of the pending related litigation, whichever is later.
- 33 V.S.A. § 2004 (manufacturer fee).
- 33 V.S.A. § 2004a (evidence-based education and advertising fund)

EXPLANATION: Litigation has halted the implementation of several provisions of 2007 Act 80 until the court case is resolved.

Sec. 113. 33 V.S.A. Sec. 2003 is amended to read:

Sec. 2003. Pharmacy discount plans

* * *

(c) As used in this section:

* * *

(9) “Without adequate coverage” includes beneficiaries with no coverage for prescription drugs or certain types of prescription drugs, insufficient coverage under a Medicare prescription drug plan or Medicare Advantage prescription drug plan, and beneficiaries whose annual maximum coverage limit under their health benefit plan has been reached.

* * *

EXPLANATION: Persons without VPharm benefits would be allowed to use Healthy Vermonters Benefit to pay lower prices for prescription drugs.

Sec. 114. 33 V.S.A. § 1103 is amended to read:
 Sec. 1103. Eligibility and benefit levels

* * *

(c) The commissioner shall adopt rules for the determination of eligibility for the Reach Up program and benefit levels for all participating families that include the following provisions:

* * *

(8) The first \$125.00 or, if less than \$125.00, the total amount of cumulative Supplemental Security Income (SSI) received by the household members who are not in the Reach Up family financial assistance group only because of their SSI recipient status shall be counted as income to the Reach Up financial assistance group in determining eligibility and grant amount.

* * *

EXPLANATION: Counts \$125 of SSI in determining Reach Up eligibility.

Sec. 115. 33 V.S.A. § 1108 is amended to read:
 Sec. 1108. Obligation to assist eligible families with dependent children

Except as specifically authorized herein, the commissioner shall not adopt any rule that would result in the termination of financial assistance to a participating family, including a dependent child, on the basis of an adult family member's having received TANF-funded financial assistance, as an adult, for 60 or more months in his or her lifetime if the family qualifies according to the department's rule for a hardship exemption to the 60-month TANF limit. A participating family that includes a participating adult who has received 60 months of Reach Up assistance and does not qualify for a hardship exemption to the 60-month limit is not eligible for Reach Up services or assistance. This provision shall not prevent the commissioner from adopting rules that impose limitations on how many months that families, including a parent who has received an associate or bachelor's degree while receiving support from the postsecondary education program authorized by section 1121 of this chapter, may receive financial assistance authorized by this chapter in the five-year period immediately following the receipt of such associate or bachelor's degree.

EXPLANATION: SEE BELOW SEC. 117.

Sec. 116. 33 V.S.A. § 1116 is amended to read:
 Sec. 1116. Sanctions

* * *

(c)(1) For a first, and second and third month in which a participating adult is not in compliance with a family development plan or work requirement and has not demonstrated good cause for such noncompliance, the family's financial assistance grant shall be reduced by the amount of \$75.00 for each adult sanctioned. For a third and any subsequent month in which a participating adult is not in compliance with a family development plan or

work requirement, the family's financial assistance grant shall be reduced by the amount of \$150.00 for each adult sanctioned unless subsection (e) of this section applies.

~~(2) For the fourth and any subsequent month not subject to the reduction required by subsection (e) of this section in which a participating adult is not in compliance with a family development plan or work requirement and has not demonstrated good cause for such noncompliance, the family's financial assistance grant shall be reduced by the amount of \$150.00 for each adult sanctioned. When a participant has had three sanctions in a twelve-month period, the family shall not be eligible for Reach Up for two consecutive months after the family's case is closed.~~

(d) A participant may cure a sanction by coming into compliance in accordance with the department's rules. When a family resumes participation in Reach Up after a period of ineligibility due to an adult having been sanctioned for three months in a 12-month period, their sanction shall be cured. During the first 60 months of the family's receipt of financial assistance, a participating adult may have all previous sanctions forgiven by demonstrating 12 consecutive months of compliance with family development plan requirements or work requirements or any combination of the two. Subsequent acts of noncompliance after a sanctioned adult has completed a successful 12-month sanction forgiveness period will be treated in accordance with subdivisions (c)(1) ~~through (5)~~ and (2) of this section without consideration of the sanctions that have been forgiven.

~~(e) Any family that has received 60 or more cumulative months of financial assistance that also has one or more adult participants who have been sanctioned for 12 or more cumulative months, and who are currently being sanctioned shall have their grant reduced by \$225.00 per month for each adult sanctioned under this subsection because the family qualified for a hardship exemption and includes a participating adult who fails without good cause to fully comply or continue to comply in full with the family development plan or work requirements in sections 1112 and 1113 of this Title shall no longer be eligible for Reach Up.~~

(f)(1) Under no circumstances during the first ~~six~~ three months that a family's grant is reduced due to fiscal sanctions imposed pursuant to subsection (c) of this section shall the grant be reduced to less than an amount which in combination with the family's other countable income is less than the family's actual incurred housing costs up to the applicable maximum housing allowance.

* * *

g) The financial assistance grant of a family that has been subject to a fiscal sanction for more than ~~six~~ three cumulative months shall be reduced in accordance with the full sanction amounts and without any consideration of the housing costs protection established in subsection (f) of this section. This section shall not apply if the family, after the fiscal sanction period of more than ~~six~~ three months, has an intervening period of no less than 36 months before another fiscal sanction and spends those months in a state of program compliance, grant closure, or any combination of the two.

(h) To receive payments during the fiscal sanction period, an adult who is the subject of the sanction shall meet no less than once each month to report his or her circumstances to the case manager or to participate in assessments as directed by the case manager. In addition, this meeting shall be for initial assessment and development of the family development plan when such tasks have not been completed; reassessment or review and revision of the family development plan, if appropriate; and to encourage the participant to fulfill the work requirement. Meetings required under this section may take place in the district office, a community location, or in the participant's home. Facilitation of meeting the participant's family development plan goals shall be a primary consideration in determining the location of the meeting. The commissioner may waive any meeting when extraordinary circumstances prevent a participant from attending. The department shall inform all families in their second month of sanction in a 12-month period of the consequences of a failure to engage in the evaluation and the full-family sanction. The commissioner shall adopt rules to implement this subsection.

(i) To receive payments during the third month of fiscal sanction in a 12-month period, the family must engage in an assessment that includes an evaluation of income available to the family, the effects of termination of Reach Up on the children, and the employability and life skills capabilities of the adult participants. If the evaluation reveals that a sanctioned adult should have had a modified or deferred work requirement during the current month of sanction, the department shall strike the sanction, reinstate the full grant amount to which the family is entitled and modify the participant's family development plan. If the evaluation reveals that termination of Reach Up is likely to result in a risk of harm to the children, the department shall refer the case to a provider appropriate to address the particular risk or if appropriate, to the family services division. Meetings required under this section may take place in the district office, a community location, or in the participant's home. Facilitation of meeting the participant's family development plan goals shall be a primary consideration in determining the location of the meeting. The commissioner may waive any meeting when extraordinary circumstances prevent a participant from attending. The commissioner shall adopt rules to implement this section.

(j) A family sanctioned under this section for failure to meet work or family development plan requirements shall remain eligible for Food Stamps and shall not, because of such failure, be sanctioned under the Food Stamp program for reasons of "failure to comply without good cause" and "voluntary quit without good cause," provided that such eligibility and waivers of such sanctions are consistent with federal law and regulations governing the Food Stamp program.

EXPLANATION: SEE BELOW SEC. 117.

Sec. 117. 33 V.S.A. § 1121 is amended to read:

Sec. 1121. Authorization to segregate state funds and create separate state and solely state-funded programs

* * *

(c) Programs and payment structures created pursuant to this section shall accomplish one or more of the following purposes:

* * *

(4) To preserve financial assistance options beyond the federal TANF 60-month lifetime limit for families who qualify for a TANF hardship exemption to the 60-month limit because they are addressing multiple issues relating to self-sufficiency.

* * *

(d)(1) The following solely state-funded programs shall be established, in accordance with rules adopted by the commissioner:

* * *

(C) A program for ~~the following vulnerable families:~~

~~(i) families with a minor parent who is not meeting the TANF requirements;~~

~~(ii) families who have received TANF-funded assistance for over 60 months and do not qualify for the hardship exemption as provided for by rule;~~

(2) Solely state-funded programs may be established, in accordance with rules adopted by the commissioner, for the following individuals:

* * *

~~(B) adults who have been in sanction for more than three months;~~

* * *

EXPLANATION: “Full family sanctions” will be implemented as a policy change. If someone is in their first 60 months of TANF and they receive a sanction, they have 3 months to improve or remediate their sanction. If they fail to remediate their sanction, the person will be removed from TANF for 2 months. After two months, they have an opportunity to reapply for TANF. If a family has received TANF for more than 60 months and they receive a sanction, they do not have 3 months to remediate. A person who has passed the 60 month mark will be removed from the TANF caseload immediately. In this proposed language there is no provision to allow that person (after 60 months and sanctioned) to return to TANF.

Sec. 118. Sec. 26 of No. 30 of the Acts of 2007, as amended by Sec. 5.902 of No. 192 of the Acts of 2008 is further amended to read:
Sec. 26. EFFECTIVE DATES; IMPLEMENTATION

* * *

(b) The amendments to 33 V.S.A. chapter 11 contained in Secs.2-13 (Reach Up), 14 (solely state-funded programs), and 16 (Reach Up transitions) of this act shall take effect immediately when the rule changes necessary to implement the sections become final, but no later than April 1, 2008. Until the time that the rule modifications are final, the Reach Up program shall operate under current law. Any provisions in these sections relating to Reach Ahead shall take effect on ~~April 1, 2009~~ October 1, 2010.

* * *

(d) Reach First established in Sec. 1 of this act shall be implemented no later than April 1, 2008. Reach Ahead established in Sec. 18 shall be implemented for families who leave Reach Up on or after ~~April 1, 2009~~ October 1, 2010 as provided for in 33 V.S.A. § 1203(1). Subject to appropriation, Reach Ahead shall be implemented for all other families as provided for in 33 V.S.A. § 1203 no later than ~~July 1, 2009~~ January 1, 2011.

* * *

EXPLANATION: This amendment delays the implementation of the new program, Reach Ahead.

Sec. 119. HOME WEATHERIZATION TRUST FUND; HOMELESSNESS

(a) Notwithstanding the provisions of Title 33, chapter 25 (home weatherization assistance program) of the Vermont Statutes Annotated, in fiscal year 2009 the agency of human services may use up to \$250,000 of state funds from the home weatherization assistance trust fund for the purpose of reducing homelessness. Funds unspent for this purpose in fiscal year 2009 may be carried forward into fiscal year 2010 and spent for the same purpose.

EXPLANATION: The receipt of a large amount of Federal LIHEAP funds has made available Home Weatherization Trust state funds for the purpose of reducing homelessness.

Sec. 120. 33 V.S.A. Sec. 2604(a) is amended to read:

(a) Household income eligibility requirements. The secretary, by rule, shall establish household income and asset eligibility requirements of beneficiaries in the seasonal fuel assistance program including the income and assets of all residents of the household.

(1) The income eligibility requirements shall require that households have a net household income no greater than 125 percent of the federal poverty level in order to be potentially eligible for benefits. Net income shall be derived by making the following deductions from gross income: 20 percent of household members' gross earned income; 100 percent of federal or state earned income credits received by household members; dependent care expenses that are within an allowable maximum, paid by a household member, and necessary to support a household member's employment or training for employment, according to criteria established by the secretary by rule; child support or alimony payments made by a household member on behalf of a nonhousehold member that meet criteria established by the secretary by rule; ~~\$150.00~~ \$250.00 for each household member who is 60 years of age or older or disabled according to criteria established by the secretary by rule; any deductions or exclusions required by federal law or regulations; and any other deduction or exclusion established by the secretary by rule.

(2) In order to be eligible, a household shall have net household assets no greater than \$5,000.00, or \$10,000 if one member of the household is 60 years of age or older. The secretary shall establish exclusions from the asset limit by rule.

EXPLANATION: This language expands the caseload for LIHEAP by increasing the income disregard from \$5,000 to \$10,000 and increasing one of the disregards from gross income.

Sec. 121. 33 V.S.A. Sec. 2603 is amended to read:

Sec. 2603. Home heating fuel assistance ~~trust~~ fund

(a) There is created in the state treasury a fund to be known as the home heating fuel assistance ~~trust~~ fund ~~to be expended by the director in accordance with this chapter and other federal laws and rules adopted pursuant thereto.~~

(b) The fund shall ~~be composed of~~ comprise the receipts from any taxes dedicated to the fund, and such other state funds as may be appropriated to it by the general assembly, ~~including funds from the federal Low Income Home Energy Assistance Program (LIHEAP).~~ Funds from the home heating fuel assistance fund and the federal Low Income Home Energy Assistance Program (LIHEAP) shall be expended by the director in accordance with this chapter and other federal laws and rules adopted pursuant thereto.

(c) All balances in the home heating fuel assistance fund at the end of any fiscal year shall ~~be carried forward and remain part of the fund. Interest earned by the fund shall be deposited into the fund. Disbursements from the fund shall be made by the state treasurer on warrants drawn by the commissioner of finance and management~~ remain in the fund for future disbursements.

(d) The secretary may spend, in anticipation of federal receipts into the home heating fuel assistance ~~trust~~ fund established under this section, a sum no greater than 75 percent of the federal block grant funds allocated to Vermont for the current federal fiscal year under the Low Income Home Energy Assistance Program (LIHEAP), for the purpose of permitting preseason purchases of fuel and other cost-effective purchasing practices authorized by subsection 2602(c) of this title, in accordance with rules adopted by the secretary.

EXPLANATION: The amendment clarifies that the Home Heating Fuel Assistance Fund shall only contain state funds, with the Federal LIHEAP funds held separately in a federal account (both are used for the state fuel assistance program). The budget passed by the 2008 legislature (2008 Act

192 Sec 2.229) already treats the Federal funds separately. The language also deletes “trust”, as the Fund is actually a Special Fund, and removes the interest provision, as the Fund usually incurs a negative interest, since the benefits are paid early in the year, in advance of revenues. Language authorizing disbursement on warrants is unnecessary.

Sec. 122. Sec. 5.224(f) of No. 192 of the Acts of 2008 is added to read:

(f) In fiscal year 2009, upon approval of the secretary of human services and the commissioner of finance and management, the commissioner of corrections may transfer unexpended funds between the respective appropriations for correctional services and for correctional services – out-of-state beds. Any transfer made under this authority shall be reported to the joint fiscal committee.

EXPLANATION: Similar wording was included in 2008 Act 90 Sec. 56 (the FY 2008 Budget Adjustment) to afford flexibility to transfer funds from the out-of-state appropriation to the correctional services appropriation. The new language allows flexibility to transfer funds between the two appropriations (not just from one to the other); and adds the Secretary of Human Services to the necessary approvals. The Joint Fiscal Committee replaces the Appropriations Committees because the need to transfer funds could come up when the legislature is not in session.

Sec. 123. VERMONT COMMISSION ON NATIONAL AND COMMUNITY SERVICE; POSITIONS

(a) The exempt positions in the Vermont Commission on National and Community Service shall be transferred to the agency of human services.

EXPLANATION: The Vermont Commission on National and Community Service (AmeriCorps) has been transferred from the Governor’s Office to the Agency of Human Services, per Executive Order No. 02-09.

Sec.124. GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER; REPORT

(a) In order to facilitate the end-of-year closeout for fiscal year 2009, the secretary of the agency of human services, with approval from the secretary of administration, may make transfers among the appropriations authorized for Medicaid and Medicaid-waiver program expenses, including Global Commitment appropriations outside of the agency of human services. At least three business days prior to any transfer, the agency shall submit a proposal of transfers to be made pursuant to this section to the joint fiscal office. A final report on all transfers made under this section shall be made to the joint fiscal committee for review at the September 2009 meeting. The purpose of this section is to provide the agency with limited authority to modify the appropriations to comply with the terms and conditions of the Global Commitment for Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

EXPLANATION: Repeat and continuation of language found most recently in 2008 Act 90 Sec 26 (the FY 2008 Budget Adjustment).

Sec. 125. Sec. 5.206(c) of No. 192 of the Acts of 2008 is added to read:

(c) The agency of human services secretary's office - Global Commitment appropriation (Section 2.202) shall be reduced by \$813,000 general funds and by \$1,187,000 federal funds and the office of Vermont health access – Medicaid program - long-term care waiver (Section 2.208) shall be increased by the same amounts to accomplish the intent of using \$2,000,000 of Global Commitment funds specified in Section 5.206(b)(2)(E).

EXPLANATION: The intent of 2008 Act 192 Sec 5.206(b) is to support various programs with Global Commitment carryforward. In fact, Global Commitment funds cannot be used for the \$2M for the Choices for Care Waiver Program; instead, this amendment transfers the General and Federal funding that is the source of the Global Commitment appropriation, so that it may be used through the OVHA – Medicaid – long-term care waiver program.

Sec. 126. Sec. 5.202(b)(6) of No. 192 of the Acts of 2008 is added to read:

(6) Notwithstanding 16 V.S.A. Sec. 2959a, any additional federal funds received as a result of an enhanced FMAP that are associated with the certified expenditures specified in subdivisions (1) through (5) of this subsection shall be retained in the Global Commitment fund and shall not be transferred to the certifying entity.

EXPLANATION: Once actual amounts of the economic stimulus package are known, we may ask for this provision to be deleted from the Budget Adjustment. This proposal will require further analysis and discussion with the Joint Fiscal Office and the legislature.

Sec. 127. EFFECTIVE DATES

(a) This act shall take effect upon passage, except:

- (1) Secs. 80, 106 and 111(a) shall take effect February 1, 2009.
- (2) Secs. 105, 108, 109, and 114 - 117 shall take effect April 1, 2009.
- (3) Sec. 107 shall take effect March 15, 2009.
- (4) Sec. 118 shall take effect March 31, 2009.

keep:Pay act distribution - FY 2009 - Sheet 2	
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FY 2009 Appropriation Reductions Due to Budgeted Benefit Rate Savings	
Description	FY 2009 Budgeted Benefit Rate Savings - General Fund
	0
Secretary's Office	(1,305)
AGENCY OF ADMIN SECRETARY'S OFFICE	0
GOVnet	0
Information & Innovation	(424)
INFORMATION AND INNOVATION	0
Budget and Management	(3,518)
Financial Operations	0
FINANCE & MANAGEMENT	0
Operations	(12,850)
HR Workforce Planning & Emp Services	0
Employee Benefits & Wellness	0
Information Technology	0
HUMAN RESOURCES	0
Libraries	(7,742)
LIBRARIES	0
Administration / Collection	(61,769)
TAX DEPT	0
Administration	0
Engineering	(10,210)
Information Centers	(17,843)
Purchasing	(3,730)
Public Records	0
Postal Services - External	0
Copy Center	0
Fleet Management Services	0
Federal Surplus Property	0
State Surplus Property	0
Property Management	0
Workers' Compensation Insurance	0
Fee For Space	0
BUILDINGS & GEN SERVICES	0
AGENCY OF ADMINISTRATION	0
Governor's Office	(5,055)

keep:Pay act distribution - FY 2009 - Sheet 2	
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FY 2009 Appropriation Reductions Due to Budgeted Benefit Rate Savings	
Description	FY 2009 Budgeted Benefit Rate Savings - General Fund
National and Community Service	(269)
EXECUTIVE OFFICE	0
Legislative Council	(8,616)
LEGISLATIVE COUNCIL	0
Legislature	(7,843)
LEGISLATURE	0
Legislative Information Technology	(2,314)
LEGISLATIVE INFORMATION TECHNOLOGY	0
Joint Fiscal Committee	(4,345)
JOINT FISCAL COMMITTEE	0
Sergeant at Arms	(2,569)
SERGEANT AT ARMS	0
Lieutenant Governor	(205)
LIEUTENANT GOVERNOR	0
Auditor of Accounts	(1,168)
AUDITOR OF ACCOUNTS	0
Office of the Treasurer	(734)
Unclaimed Property	0
STATE TREASURER	0
State Labor Relations Board	(1,360)
STATE LABOR RELATIONS BD	0
VOSHA Review Board	(227)
VOSHA REVIEW BD	0
Attorney General	(24,372)
ATTORNEY GENERAL	0
Public Defense	(24,490)
Assigned Counsel	(723)
DEFENDER GENERAL	0
Judiciary	(113,897)
JUDICIARY	0
State's Attorneys	(34,902)
STATE'S ATTORNEYS	0
Sheriffs	(16,958)
SHERIFFS	0

keep:Pay act distribution - FY 2009 - Sheet 2	
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FY 2009 Appropriation Reductions Due to Budgeted Benefit Rate Savings	
Description	FY 2009 Budgeted Benefit Rate Savings - General Fund
State Police	(46,078)
Criminal Justice Services	(413)
Emergency Management	0
Fire Safety	(2,526)
Administration	(10,446)
Homeland Security	(1,238)
Radiological Emergency Response Program	0
PUBLIC SAFETY	0
Administration	(2,587)
Air Service Contract	(1,060)
Army Service Contract	(223)
Building Maintenance	(7,408)
Veterans' Affairs	(1,727)
MILITARY	0
Criminal Justice Training Council	(2,501)
CRIMINAL JUSTICE TRAINING COUNCIL	0
Administration	(2,613)
Food Safety and Consumer Protection	(6,370)
Agricultural Development	(1,652)
Labs, Agri Resource Mgmt & Envir Stewardship	(8,316)
AGRICULTURE	0
Banking	0
Insurance	0
Captive	0
Securities	0
Health Care Administration	0
Administration	0
BISHCA	0
Secretary of State	(6,731)
SECRETARY OF STATE	0
Regulation & Energy	0
PUBLIC SERVICE DEPT	0
Public Service Board	0
PUBLIC SERVICE BD	0

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FY 2009 Appropriation Reductions Due to Budgeted Benefit Rate Savings	
Description	FY 2009 Budgeted Benefit Rate Savings - General Fund
Enhanced 9-1-1 Board	0
E9-1-1 BOARD	0
Human Rights Commission	(1,338)
HUMAN RIGHTS COMMISSION	0
Enforcement & Licensing Administration	0
Warehousing and Distribution	0
LIQUOR CONTROL	0
Lottery Commission	0
LOTTERY COMMISSION	0
Secretary's Office Admin Costs	(10,464)
Rate Setting	0
Develop Disabilities Council	0
Human Services Board	(217)
AHS SECRETARY'S OFFICE	0
OVHA - Administration	0
OFFICE OF VT HEALTH ACCESS	0
Administration	(1,960)
Health-Blueprint for Health	0
Health Protection	0
Public Health	0
Health Surveillance	0
Health Improvement	0
Community Public Health	0
Alcohol & Drug Abuse	(1,689)
Medical Practice Board	0
DEPT HEALTH	0
Mental Health	0
Vermont State Hospital	(68,908)
MENTAL HEALTH	0
DCFS Admin & Support Services	(52,821)
DCFS - Family Services	(19,410)
DCFS - Child Development	(6,958)
DCFS - Child Support Services	(9,586)

keep:Pay act distribution - FY 2009 - Sheet 2	
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FY 2009 Appropriation Reductions Due to Budgeted Benefit Rate Savings	
Description	FY 2009 Budgeted Benefit Rate Savings - General Fund
DCFS - OEO Ofc of Economic Opp	(181)
DCFS - Woodside Rehab Center	(13,313)
DCFS - DDS	0
DEPT FOR CHILDREN & FAMILIES	0
Administration & Support	(28,546)
Developmental Services	0
DISABILITIES & INDEPENDENT LIVING	0
Corrections - Administration	(8,871)
Corrections - Parole Board	(1,298)
Corrections - Education	(15,801)
Correctional Services	(395,760)
Correctional Fac - Rec Fund	0
Admin - VT Offender Work Prog	0
CORRECTIONS	0
AGENCY OF HUMAN SERVICES	0
Care and Support Services	0
VT VETERANS' HOME	0
Vermont Commission on Women	(1,066)
VT COMMISSION ON WOMEN	0
VDOL Program	(7,241)
LABOR	0
Finance and Administration	(12,470)
Education Services	(13,965)
Tobacco Litigation	0
Act 117 Cost Containment	0
DEPT EDUCATION	0
Administration	(17,624)
ANR ADMINISTRATION	0
Support & Field Services	0
FISH & WILDLIFE	0
Administration	(3,833)
Forestry	(19,438)
State Parks	(6,832)
Lands Administration	(1,954)

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FY 2009 Appropriation Reductions Due to Budgeted Benefit Rate Savings	
Description	FY 2009 Budgeted Benefit Rate Savings - General Fund
FORESTS, PARKS & RECREATION	0
Management and Support Services	(3,799)
Air and Waste Management	(3,255)
Office of Water Programs	(27,888)
DEPT ENVIRONMENTAL CONSERVATION	0
AGENCY OF NAT RESOURCES	0
Natural Resources Board	(5,136)
NATURAL RESOURCES BD	0
Administration Division	(8,281)
ACCD ADMINISTRATION	0
Housing and Community Affairs	(4,795)
Historic Sites Operations	(1,567)
Downtown Transp and Capital Imp Fund	0
HOUSING & COMMUNITY AFFAIRS	0
Economic Development	(7,173)
Vermont Training Program	(252)
ECONOMIC DEVELOPMENT	0
Tourism & Marketing	(5,450)
Vermont Life	0
TOURISM & MARKETING	0
AGENCY OF COMMERCE & COMM DEVEL	0
Transportation Board	0
TRANSPORTATION BOARD	0
Finance and Administration	0
Aviation	0
Program Development	0
Maintenance State System	0
Department of Motor Vehicles	0
Policy and Planning	0
Rail	0
Public Transit	0
Central Garage	0
AOT	0
TOTAL	(1,260,463)