

No. XXX. An act relating to making appropriations for the support of government

(H. XXX)

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. A.100 SHORT TITLE

This bill may be referred to as the BIG BILL – Fiscal Year 2024 Appropriations Act.

Sec. A.101 PURPOSE

The purpose of this act is to provide appropriations for the operations of State government during fiscal year 2024. It is the express intent of the General Assembly that activities of the various agencies, departments, divisions, boards, and commissions be limited to those which can be supported by funds appropriated in this act or other acts passed prior to June 30, 2023. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2024 to meet this condition unless otherwise directed by specific language in this act or other acts of the General Assembly.

Sec. A.102 APPROPRIATIONS

(a) It is the intent of the General Assembly that this act serves as the primary source and reference for appropriations for fiscal year 2024.

(b) The sums herein stated are appropriated for the purposes specified in the following sections of this act. When no time is expressly stated during which any of the appropriations are to continue, the appropriations are single year appropriations and only for the purpose indicated and shall be paid from funds shown as the source of funds. If in this act there is an error in either addition or subtraction, the totals shall be adjusted accordingly. Apparent errors in referring to section numbers of statutory titles within this act may be disregarded by the Commissioner of Finance and Management.

(c) Unless codified or otherwise specified, all narrative portions of this act apply only to the fiscal year ending on June 30, 2024.

Sec. A.103 DEFINITIONS

(a) As used in this act:

(1) “Encumbrances” means a portion of an appropriation reserved for the subsequent payment of existing purchase orders or contracts. The Commissioner of Finance and Management shall make final decisions on the appropriateness of encumbrances.

(2) “Grants” means subsidies, aid, or payments to local governments, to community and quasi-public agencies for providing local services, and to persons who are not wards of the State for services or supplies and means cash or other direct assistance, including pension contributions.

(3) “Operating expenses” means property management, repair and maintenance, rental expenses, insurance, postage, travel, energy and utilities, office and other supplies, equipment, including motor vehicles, highway materials, and construction, expenditures for the purchase of land and construction of new buildings and permanent improvements, and similar items.

(4) “Personal services” means wages and salaries, fringe benefits, per diems, and contracted third-party services, and similar items.

Sec. A.104 RELATIONSHIP TO EXISTING LAWS

Except as specifically provided, this act shall not be construed in any way to negate or impair the full force and effect of existing laws.

Sec. A.105 OFFSETTING APPROPRIATIONS

In the absence of specific provisions to the contrary in this act, when total appropriations are offset by estimated receipts, the State appropriations shall control, notwithstanding receipts being greater or less than anticipated.

Sec. A.106 FEDERAL FUNDS

(a) In fiscal year 2024, the Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may accept federal funds available to the State of Vermont, including block grants in lieu of or in addition to funds herein designated as federal. The Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may allocate all or any portion of such federal funds for any purpose consistent with the purposes for which the basic appropriations in this act have been made.

(b) If, during fiscal year 2024, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2023 session of the Vermont General Assembly are converted into block grants or are abolished under their current title in federal law and reestablished under a new title in federal law, the Governor may continue to accept such federal funds for any purpose consistent with the purposes for which the federal funds were appropriated. The Governor may spend such funds for such purposes for no more than 45 days prior to Legislative or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor's request for approval.

Sec. A.107 NEW POSITIONS

Notwithstanding any other provision of law, the total number of authorized State positions, both classified and exempt, excluding temporary positions as defined in 3 V.S.A. § 311(11), shall not be increased during fiscal year 2024 except for new positions authorized by the 2023 session. Limited service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction.

Sec. A.108 LEGEND

(a) The bill is organized by functions of government. The sections between B.100 and B.9999 contain appropriations of funds for the upcoming budget year. The sections between E.100 and E.9999 contain language that relates to specific appropriations or government functions, or both. The function areas by section numbers are as follows:

<u>B.100–B.199 and E.100–E.199</u>	<u>General Government</u>
<u>B.200–B.299 and E.200–E.299</u>	<u>Protection to Persons and Property</u>
<u>B.300–B.399 and E.300–E.399</u>	<u>Human Services</u>
<u>B.400–B.499 and E.400–E.499</u>	<u>Labor</u>

<u>B.500–B.599 and E.500–E.599</u>	<u>General Education</u>
<u>B.600–B.699 and E.600–E.699</u>	<u>Higher Education</u>
<u>B.700–B.799 and E.700–E.799</u>	<u>Natural Resources</u>
<u>B.800–B.899 and E.800–E.899</u>	<u>Commerce and Community Development</u>
<u>B.900–B.999 and E.900–E.999</u>	<u>Transportation</u>
<u>B.1000–B.1099 and E.1000–E.1099</u>	<u>Debt Service</u>
<u>B.1100–B.1199 and E.1100–E.1199</u>	<u>One-time and other appropriation actions</u>

(b) The C sections contain any amendments to the current fiscal year and the D sections contain fund transfers, reversions and reserve allocations for the upcoming budget year.

Sec. B.1100 FISCAL YEAR 2024 ONE-TIME GENERAL FUND APPROPRIATIONS

(a) In fiscal year 2024, funds are appropriated from the General Fund for new and ongoing initiatives as follows:

- (1) \$27,300,000 to the Agency of Administration - Secretary’s Office for the following:
 - (A) \$2,300,000 to create, implement, and oversee a comprehensive statewide language access plan.
 - (B) \$10,000,000 for the purpose of supporting the Community Safety Grant Program as envisioned in S.4 as introduced on January 6, 2023.
 - (C) \$15,000,000 to be used to offset the cost of denied claims for FEMA reimbursement.

- (2) \$3,000,000 to the University of Vermont to continue the Upskill Vermont Scholarship Program originally funded by 2021 Act 9 Sec. 18(b)

- (3) \$19,000,000 to the Vermont State Colleges for the following:
 - (A) \$9,000,000 for bridge funding to support ongoing system transformation.
 - (B) \$10,000,000 for the Community College of Vermont to reduce by fifty percent, for two years, the tuition fee for certificates, degrees, and courses that have a direct nexus to Vermont business and industry needs.

- (4) \$3,400,000 to the Vermont Student Assistance Corporation for continuation of the 802 Opportunity Program

- (5) \$2,700,000 to the Department of Human Resources for the following:
 - (A) \$725,000 to fund seven new permanent full-time positions in the Operations division in Fiscal Year 2024. These position costs will be funded via the DHR Internal Service Fund beginning in FY 2025.

(B) \$75,000 to fund one new permanent full-time position in the VTHR Operations division in Fiscal Year 2024. This position cost will be funded via the DHR Internal Service Fund beginning in FY 2025.

(C) \$1,900,000 for implementation of a Paid Family & Medical Leave Insurance program available for all State Employees in Fiscal Year 2024. This program cost will be funded via the DHR Internal Service Fund beginning in FY 2025.

(6) \$200,000 to the Department of Libraries to support the FiberConnect project relating to internet access in public libraries.

(7) \$18,000,000 to the Office of the State Treasurer for the following:

(A) \$9,000,000 for the additional contribution to the Vermont State Employees' Retirement System per 2022 Act 114, Section 11 and 3 V.S.A. §473(c)(8)(A).

(B) \$9,000,000 for the additional contribution to the Vermont State Teachers' Retirement System contribution per 2022 Act 114, Section 19 and 16 V.S.A. §1944(c)(13)(A).

(8) \$690,000 to the Department of Public Safety for the following:

(A) \$190,000 for External Carriers (vests) that improve the ergonomics of ballistic personal protective equipment.

(B) \$500,000 for Hiring Incentives including hiring bonuses to be paid to all new sworn members and emergency communication dispatchers, recruitment awards to current members for successful recruitment of a new member (criteria dependent), and student loan debt repayment, offering up to \$10,000 per new hire toward the repayment of preexisting student loan debt.

(9) \$20,000 to the Military Department for the following:

(A) \$10,000 for granting to the USS Vermont Support Group, a non-profit organization supporting military members serving on the USS Vermont (SSN 792) and their families.

(B) \$10,000 for granting to North Country Honor Flight, an organization that sponsors an escorted trip for veterans to visit the various war memorials on the National Mall, to cover the expenses of ten Vermont resident attendees.

(10) \$1,420,000 to the Criminal Justice Council for the following:

(A) \$1,200,000 for three years' financial support of a three-phase accreditation process to include Job Task Analysis, Curriculum Development and Piloting.

(B) \$20,000 for a Records Management System to ensure efficient and compliant recordkeeping, to include case management tracking/reporting and compliance monitoring for remote learning.

(C) \$200,000 for Request for Proposals and Contracts related to: procedure development; off-site course development; records management system transition; developing pathways to certification; and medical personnel.

(11) \$14,180,000 to the Agency of Agriculture, Food and Markets for the following:

(A) \$110,000 for Electric Vehicle Charger Inspections. Funds will be used for the purchase of two testing units and related equipment to support the development and implementation of the Commercial Electric Vehicle Fueling Systems regulatory program.

(B) \$10,000,000 for the Commission on the Future of Agricultural Economic Development grant program. Funds will be used to provide dedicated, competitively awarded grant funding for small- and mid-sized agricultural producers and value-added processors in the meat, vegetable and maple sectors, as recommended by the Governor's Commission on the Future of Agriculture. An amount not to exceed \$125,000 may be used to support the cost of temporary employees to administer the grants.

(C) \$1,070,000 for replacement of the existing Food Safety Inspection Database

(D) \$3,000,000 for the Working Lands Enterprise grant program

(12) \$10,000,000 to the Public Service Department for the Critical Communications Infrastructure Program. Funds will be used to evaluate the availability of mobile wireless service and provide grants to ensure cell coverage across underserved areas of the state.

(13) \$545,000 to the Department of Liquor and Lottery for the development of a state-control model of legal sports wagering, and associated administrative structure.

(14) \$105,000 to the Department of Mental Health for expediting competency and sanity evaluations.

(15) \$790,500 to the Green Mountain Care Board for the following:

(A) \$620,000 for costs associated with the implementation of the Vermont Health Care Uniform Reporting and Evaluation System (VHCURES) database.

(B) \$120,500 for the implementation of a new financial database solution.

(C) \$50,000 for the development of the statutorily required Health Resources Allocation Plan Tool.

(16) \$30,538,537 to the Agency of Human Services Central Office for the following:

(A) \$1,000,000 to the State Refugee Office for the Employment Assistance Grants program created in 2022 Act 185 Section E.300.2 as amended by the Governor's Recommended FY 2023 Budget Adjustment Act. Funds remaining at the end of FY2025 shall revert to the General Fund.

(B) \$170,000 to fund the Health Care Workforce limited service position created in Act 183 Sec. 34 (a) for one additional year.

(C) \$8,833,934 for a two-year pilot to expand the Blueprint for Health Hub and Spoke program. Funds will be used to expand the substances covered by the program, include mental health and pediatric screenings, and make strategic investments with community partners.

(D) \$10,000,000 to continue to address the emergent and exigent circumstances impacting healthcare providers following the COVID-19 pandemic.

(E) \$10,534,603 for use as Global Commitment matching funds for one-time caseload pressures due to the suspension of Medicaid eligibility redeterminations.

(17) \$366,066 to the Department of Vermont Health Access for a two year pilot to expand the Blueprint for Health Hub and Spoke program

(18) \$1,590,000 to the Department of Health Alcohol and Drug Abuse Program to satisfy, in conjunction with \$1.41 million (30% of FY 2023 forecast for cannabis excise tax) in the VDH base budget, the Substance Misuse Prevention Coalition funding intent as stated in Act 185 Sec. B. 1100(a)(12)(A)(i).

(19) \$29,384,610 to the Department for Children and Families for the following:

(A) \$2,000,000 to implement a two year Reach Ahead pilot program. Funds will be used to increase monthly food assistance benefits, expand the eligibility window for those leaving Reach Up, and provide incentive payments.

(B) \$1,000,000 to fund a two-year continuation of the Youth Development Independent Living stipends program

(C) \$26,384,610 to address the estimated need for the Adverse Weather Conditions policy, and General Assistance emergency housing hotel/motel expenditures.

(20) \$1,200,000 to the Department of Labor for the following:

(A) \$200,000 to be granted to the State Workforce Development Board for the New American Labor Force Program.

(B) \$1,000,000 to provide services under the Work-Based Learning and Training Program established per 10 V.S.A. § 547.

(21) \$6,900,000 to the Agency of Natural Resources – Central Office for the following:

(A) \$700,000 for Refrigerant Management. Funds will be used for incentives to improve commercial and industrial refrigeration systems, focused on reducing the use of high global warming potential (GWP) refrigerants, and/or replacing outright, older systems prone to leaks.

(B) \$900,000 for Climate Office Technical Analyses, Tools and Training. Funds will be used for investments in on-going evaluation, implementation support and tracking the impact of programs and policy approaches needed to reduce greenhouse gas emissions and improve landscape-level resilience consistent with the Global Warming Solutions Act.

(C) \$5,000,000 for the Clean Heat Homes program. Funds will be used to augment federal funding for a single-point program to help low- and moderate-income Vermonters with “whole home” climate improvements – weatherization, clean heat systems, and electrification ready upgrades – supported by on-bill financing.

(D) \$300,000 for Environmental Justice positions created in 2022 Act 154 Sec. 4(b) and funded with a one-time appropriation in fiscal year 2023. Funds will be used to provide one additional year of funding for the following positions: one fulltime Civil Rights Compliance Director; and

two fulltime positions to assist in the implementation of the Environmental Justice State Policy and support the Environmental Justice Advisory Council.

(22) \$150,000 to the Department of Fish and Wildlife for Wildlife Crop Damage Payments. Funds will be used for payments to farmers under the provisions of 10 V.S.A. § 4829 and 10 V.S.A. § 4831 Wild Animals Doing Damage.

(23) \$2,000,000 to the Department of Forest, Parks and Recreation (FPR) for the following:

(A) \$500,000 for Parks personnel housing. Funds will be used to renovate, remediate and expand on-site housing opportunities - including installation of full hook-ups for RVs, splitting existing staff housing into multiple units, and making critical (health and safety) repairs to the existing housing stock - for Vermont State Parks staff in critical locations statewide.

(B) \$1,000,000 for Small Communities Outdoor Recreation Grant matching funds. Funds will be used to support low-income communities in Vermont by providing state match funds for federal recreation grants.

(C) \$500,000 for Emerald Ash Borer Mitigation/Low Income Heating Assistance. Funds will be used to remove high-risk ash trees on FPR lands and provide free firewood to low-income households.

(24) \$14,500,000 to the Department of Environmental Conservation for the following:

(A) \$10,000,000 for the Healthy Homes Initiative. Funds will be used to make repairs or improvements to drinking water, wastewater or stormwater systems for Vermonters with low to moderate income and/or living in manufactured housing communities (MHCs).

(B) \$2,500,000 for the Brownfields Reuse and Environmental Liability Limitation Act/Brownfields. Funds will be used for the assessment and cleanup planning for a maximum of 25 brownfields sites.

(C) \$1,000,000 for Polyfluoroalkyl Substances (PFAS) technical assistance. Funds will be used to support statewide groundwater PFAS remediation efforts.

(D) \$1,000,000 for FY24 – FY27 Emissions Repair Program. Funds will be used for the emissions repair program established by 2019 Act 59 Section 34 as amended by 2021 Act 55 for fiscal years 2024-2027.

(25) \$1,200,000 to the Natural Resources Board for the following:

(A) \$1,000,000 for the Digitization of Natural Resources Board documents. Funds will be used for the continued digitization of permanent, paper-based Act 250 land use permit records currently located at the Natural Resources Board's five district offices.

(B) \$200,000 for an Act 250 Study contract. Funds will be used to contract with a consultant to assist with the preparation of a report on updates necessary to the Act 250 program, per 2022 Act 182 Section 41(a).

(26) \$117,000 to the Agency of Commerce and Community Development for the Vermont 250th Commission

(27) \$35,650,000 to the Department of Housing and Community Development for the following:

(A) \$150,000 for a Land Value Tax Feasibility Study, in partnership with the Vermont Department of Taxes, to explore the potential economic and community development benefits of aligning local property tax policy to spur revitalization and economic development

(B) \$20,000,000 to fund the Middle-Income Rental Housing Revolving Loan Program to create and preserve multi-family rental housing that serves middle-income households.

(C) \$15,000,000 for the Vermont Housing Improvement Program changes established in 10 V.S.A. § 699.

(D) \$500,000 for Municipal Bylaw Modernization Grants established in 24 V.S.A. § 4307, to assist municipalities in updating their bylaws to reflect the changes proposed in H.68 as introduced on January 19, 2023.

(28) \$29,368,000 to the Department of Economic Development for the following:

(A) \$5,000,000 for the Vermont Training Program to fulfill Vermont's obligation to procure incentives in accordance with the Creating Helpful Incentives to Produce Semiconductors for America (CHIPS Act).

(B) \$10,000,000 for Brownfields Redevelopment

(C) \$4,000,000 for New and Relocated Worker Grants

(D) \$10,000,000 for the Rural Industry and Development Fund to make grants to assist non-profit entities, in rural regions of the state, with addressing building and property needs for growing or new businesses.

(E) \$18,000 for granting to the Vermont Council on Rural Development to be used as match for a US Housing and Urban Development grant

(F) \$350,000 for the Innovate Northeast Kingdom Build to Scale program that will help build regional economies by furthering tech-based economic development initiatives that accelerate job growth, create more economic opportunities and support the next generation of industry leading companies.

(29) \$3,000,000 to the Agency of Transportation for the continuation of the Lamoille Valley Rail Trail Community Grant program. Funding to communities is available for scoping studies, and design and construction of projects that will enhance the connectivity of towns to the Lamoille Valley Rail Trail. Local entities will be required to provide 20% match toward any granted projects.

(30) \$10,000,000 to the Vermont Housing and Conservation Board. Notwithstanding 10 V.S.A. 322, the entirety of this appropriation will be allocated toward affordable housing development.

Sec. B.1101 FISCAL YEAR 2024 ONE-TIME SPECIAL FUND APPROPRIATIONS

(a) In FY 2024, funds are appropriated from the following special funds for new and ongoing initiatives as follows:

(1) Global Commitment Fund #20405

(A) \$15,583,352 to the Department of Vermont Health Access for a two year pilot to expand the Blueprint for Health Hub and Spoke program

(B) \$4,595,448 to the Vermont Department of Health for a two year pilot to expand the Blueprint for Health Hub and Spoke program

(2) Environmental Contingency Fund #21275

(A) \$9,000,000 to the Department of Environmental Conservation for statewide Polyfluoroalkyl Substances (PFAS) Groundwater Remediation

(3) Tax-Current Use Administration Fund #21594

(A) \$1,750,000 to the Department of Taxes for the digitization of the Current Use program

(4) Public Service Department – Regulation/Energy Efficiency Fund #21698

(A) \$500,000 to upgrade and expand the ePSD case management system

(B) \$400,000 to complete the Telecom Plan Update scheduled for June 2024.

(C) \$300,000 to craft policy proposals to reform and streamline electric sector policy

(5) Clean Water Fund #21932

(A) \$93,613 to the Department of Forests, Parks and Recreation for one Limited Service Forester II Position per Section E.100 of this Act.

(6) Technology Modernization Fund #21951

(A) \$15,000,000 the Agency of Digital Services to be used as follows:

(i) \$10,000,000 for Network & Security Infrastructure Modernization for the replacement of legacy infrastructure (hardware and software) platforms underlying the network and security architecture.

(ii) \$5,000,000 for IT investments to modernize existing IT systems or automate manual processes by adding IT solutions.

(7) Federal Revenue Fund #22005

(A) \$11,405,058 to the Agency of Human Services Central Office for a two year pilot to expand the Blueprint for Health Hub and Spoke program

(B) \$13,693,231 to the Agency of Human Services Central Office for the Public Health Emergency tail one-time matching funds

(C) \$372,048 to the Department of Vermont Health Access for a two year pilot to expand the Blueprint for Health Hub and Spoke program

(D) \$402,525 to the Department of Forests, Parks and Recreation for the following four IJA funded positions per Section E.100 of this Act; one Climate Forester, two Forester IIs; and one Communications and Outreach Coordinator.

* * * Fiscal Year 2023 Adjustments, Appropriations and Amendments * * *

Sec. C.100 2022 Act 185 Sections B.301, B.307, B.310 and B.346 are amended as follows:

Sec. B.301 Secretary's office - global commitment

Grants	1,835,603,282	<u>1,932,398,553</u>
Total	1,835,603,282	<u>1,932,398,553</u>

Source of funds

General fund	608,430,925	<u>514,202,375</u>
Special funds	33,384,536	<u>29,121,769</u>
Tobacco fund	21,049,373	21,049,373
State health care resources fund	17,078,501	<u>25,102,272</u>
Federal funds	1,151,625,777	<u>1,339,406,805</u>
Interdepartmental transfers	4,034,170	<u>3,515,959</u>
Total	1,835,603,282	<u>1,932,398,553</u>

Sec. B.307 Department of Vermont health access - Medicaid program - global commitment

Personal services	547,983	547,983
Grants	837,108,046	<u>963,359,592</u>
Total	837,656,029	<u>963,907,575</u>

Source of funds

Global Commitment fund	837,656,029	<u>963,907,575</u>
Total	837,656,029	<u>963,907,575</u>

Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched

Grants	35,125,592	<u>35,226,509</u>
Total	35,125,592	<u>35,226,509</u>

Source of funds

General fund	12,736,699	<u>12,342,078</u>
Federal funds	22,388,893	<u>22,884,431</u>
Total	35,125,592	<u>35,226,509</u>

Sec. B.346 Total human services

Source of funds

General fund	1,118,252,689	<u>1,072,734,822</u>
Special funds	122,249,086	<u>122,282,566</u>
Tobacco fund	23,088,208	23,088,208
State health care resources fund	17,078,501	<u>25,102,272</u>
Education fund	0	0

Federal funds	1,651,894,729	<u>1,846,856,910</u>
Global Commitment fund	1,788,710,309	<u>1,919,305,566</u>
Internal service funds	1,699,065	1,699,065
Interdepartmental transfers	28,014,227	<u>27,495,975</u>
Permanent trust funds	25,000	25,000
Total	4,751,011,814	<u>5,038,590,404</u>

EXPLANATION: Updated Medicaid consensus projections were completed after the Governor had submitted the FY2023 Governor's Recommended Budget Adjustment Act. These amendments reflect both the Governor's recommended adjustments plus the necessary increases resulting from the updated Medicaid consensus outlook. The consensus Medicaid projections increased Grants as follows: Section B.301 +\$9,797,808 GF + \$15,904,732 FF = \$25,702,540; B.307 = \$25,702,540 GC; B.310 +\$123,219GF + \$281,604 FF = \$404,823; B.346 +\$9,921,027GF + \$16,186,336FF + \$25,702,540 GC = \$51,809,903. These adjustments supersede those presented in the Governor's Recommended Budget Adjustment Act.

Sec.C.100.1 2022 Act 185 Sections B.907 and B.922 are amended to read:

Sec. B.907 Transportation - rail

Personal services	4,662,380
Operating expenses	30,650,803
Grants	50,000
Total	35,363,183

Source of funds

Transportation fund	14,201,368	<u>10,701,368</u>
Federal funds	18,015,401	<u>21,515,401</u>
Interdepartmental transfers	2,985,206	
Local match	161,208	
Total	35,363,183	

Sec. B.922 Total transportation

Source of funds

Transportation fund	298,509,742	<u>291,809,742</u>
TIB fund	19,802,363	<u>23,002,363</u>
Special funds	4,367,498	
Federal funds	438,299,601	<u>441,799,601</u>
Internal service funds	22,754,095	
Interdepartmental transfers	3,597,177	
Local match	4,585,799	
Total	791,916,275	

EXPLANATION: \$3.5 million is available by replacing state funds with FHWA Freight Plan funds for rail projects in FY 2023. Also reflects a \$3.2 million funding switch from the T-Fund to TIB due to the July Eboard downgrade.

Sec. C.101 2022 Acts and Resolves No. 185, Sec. D.101 is amended to read:

(a) Notwithstanding any other provision of law, the following amounts are transferred from the funds indicated:

(8) From the General Fund to the Emergency Relief and Assistance Fund (21555): \$2,100,000

(9) From the General Fund to the Environmental Contingency Fund (21275): \$3,000,000

(10) From the General Fund to the Cannabis Regulation Fund (21998): \$540,311

(11) From the Transportation Infrastructure Bond Debt Service Fund to the Transportation Infrastructure Bond Fund (20191): \$721,240.62.

(b) Notwithstanding any provision of law to the contrary, in fiscal year 2023:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

<u>21220 Mental Health Risk Pool</u>	<u>\$449.17</u>
<u>21910 Counselor Regulatory Fee Fund</u>	<u>\$2,125.00</u>
<u>21945 DOC-Corrections Donations</u>	<u>\$4.52</u>
22005 AHS Central Office earned federal receipts	\$4,641,960
50300 Liquor Control Fund	\$20,400,000
Caledonia Fair	\$5,000
North Country Hospital Loan	\$24,047
Springfield Hospital promissory note repayment	\$121,416
<u>50400 Vermont Life Magazine Fund</u>	<u>\$374,000.26</u>

EXPLANATION: Transfers in subsection (a) add the estimated amount needed for state match for (non-COVID) FEMA disaster relief to the Emergency Relief and Assistance Fund in FY23 and FY24; provide the Environmental Contingency Fund with the necessary funding to implement PFAS remediation; provide the Cannabis Control Board the funding necessary to complete their IT system implementation and cover general operating cost increases; and return the residual balance in the Transportation Infrastructure Bond Debt Service Fund to the Transportation Infrastructure Bond Fund since all outstanding bonds have been paid off. Transfers in subsection (b)(1) represent amounts currently in AHS special funds, totaling \$2,578.69, which AHS requests be transferred to the General Fund and the residual balance remaining in the Vermont Life Magazine Fund since termination of operations and resolution of all outstanding liabilities. These adjustments supersede those presented in the Governor's Budget Adjustment Act Recommendation.

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred from the following funds to the General Fund. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July meeting the final amounts transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

21638 AG-Fees & reimbursement – Court order	\$2,000,000	
21928 Secretary of State Services Funds	\$1,200,000	
62100 Unclaimed Property Fund	\$1,773,425	<u>\$4,442,485</u>

EXPLANATION: Additional proceeds from the Unclaimed Property Fund are available for transfer. These adjustments supersede those presented in the Governor’s Budget Adjustment Act recommendation.

(4) Notwithstanding any provision of law to the contrary, in fiscal year 2023, the following amounts shall revert to the General Fund from the accounts indicated:

1210002000 Legislature		\$ 205,000
1100030000 Executive Branch Pay Act	\$ 4,450,000	<u>\$ 4,559,966.09</u>
<u>1100010000 Secretary of Administration</u>		<u>\$ 261,019.35</u>
<u>1110003000 Budget & Management</u>		<u>\$ 46,983.65</u>
<u>1140040000 Homeowner Rebates</u>		<u>\$ 2,593,580.53</u>
<u>1140070000 Use Tax Reimbursement Program</u>		<u>\$ 103,001.75</u>
<u>1140330000 Renter Rebates</u>		<u>\$ 4,374,661.25</u>
<u>1260010000 Office of the Treasurer</u>		<u>\$ 206,201.60</u>
<u>2100001000 Attorney General</u>		<u>\$ 1,181.15</u>
<u>2140010000 Department of Public Safety – State Police</u>		<u>\$ 329,311.26</u>
<u>2140090000 Forensic Laboratory</u>		<u>\$ 60,701.18</u>
<u>2150010000 Military Administration/TAGO</u>		<u>\$ 347,364.99</u>
<u>3330892202 GMCB – Benchmarking Analyses</u>		<u>\$ 80,443.00</u>
<u>3400891804 Medicaid Financial Requirements</u>		<u>\$ 40,341.34</u>
<u>3400892109 St Match-Act 155 4(a),5(a)</u>		<u>\$ 277,500.00</u>
<u>3400892112 AHS-VT Food Bank-Food Box</u>		<u>\$ 1,376,000.00</u>
<u>3420892203 VDH-Recovery Centers</u>		<u>\$ 1.09</u>
<u>3440892203 DCF-Parent Child Ctrs Cap Imp</u>		<u>\$ 10.00</u>
<u>5100010000 Administration</u>		<u>\$ 282.00</u>
<u>5100060000 Adult Basic Education</u>		<u>\$ 7,192.22</u>
<u>5100070000 Education Services</u>		<u>\$ 3,870.00</u>
<u>5100210000 Education – Flexible Pathways</u>		<u>\$ 182,072.00</u>
<u>5100400000 State Board of Education</u>		<u>\$ 54,755.46</u>

<u>5100892216 AOE Vaccine Incentive Program</u>	\$ <u>50,000.00</u>
<u>6100040000 Property Tax Assessment Appropriation</u>	\$ <u>4,263.13</u>
<u>6130030000 Parks</u>	\$ <u>504.96</u>

EXPLANATION: \$10,511,208 net new General Fund balances available for reappropriation. These adjustments supersede those presented in the Governor’s Budget Adjustment Act recommendation.

(d) Notwithstanding any provision of law to the contrary, in FY 2023, the following amounts shall revert to the Education Fund from the accounts indicated:

<u>5100010000 Administration</u>	\$ <u>1,607,144.76</u>
<u>5100040000 Special Education Formula</u>	\$ <u>27,333,400.07</u>
<u>5100050000 State-Placed Students</u>	\$ <u>1,443,542.45</u>
<u>5100090000 Education Grant</u>	\$ <u>11,754,133.93</u>
<u>5100110000 Small School Grant</u>	\$ <u>34,348.00</u>
<u>5100200000 Education-Technical Education</u>	\$ <u>1,497,300.35</u>
<u>5100210000 Education – Flexible Pathways</u>	\$ <u>1,843,900.61</u>

EXPLANATION: \$45,513,770 net Education Fund balances available for reappropriation. These adjustments supersede those presented in the Governor’s Budget Adjustment Act recommendation.

(e) Notwithstanding any provision of law to the contrary, in FY 2023, the following amounts shall revert to the Transportation Fund from the accounts indicated:

<u>8100000100 Finance and Administration</u>	\$ <u>100,000</u>
<u>8100000300 Town Highway Structures</u>	\$ <u>8,734,480</u>
<u>8100000800 Transportation Board</u>	\$ <u>25,398</u>
<u>8100001000 Town Highway State Aid Federal Disasters</u>	\$ <u>18,247</u>
<u>8100001100 Program Development</u>	\$ <u>3,288,991</u>
<u>8100001400 Town Highway State Aid Non-Federal Disasters</u>	\$ <u>533,098</u>
<u>8100001700 Rest Areas</u>	\$ <u>135,990</u>
<u>8100001900 Town Highway VT Local Roads</u>	\$ <u>101,089</u>
<u>8100002000 Maintenance & Operations Bureau</u>	\$ <u>1,817,000</u>
<u>8100002100 Department of Motor Vehicles</u>	\$ <u>261,000</u>
<u>8100002200 Policy and Planning</u>	\$ <u>893,611</u>

EXPLANATION: \$20,727,011 will revert to the Transportation Fund and carry forward to FY 2024. These funds are available from FY 2022 due to lower winter maintenance costs, higher-than-expected vacancy savings, local match contribution for electric vehicle incentives, and under-utilization of Town Highway grant programs relative to budget. The total reversion is required to take full advantage of the FHWA Formula funds and discretionary grant programs available through the Infrastructure Investment and Jobs Act in FY 2024.

Sec. C.102 DOC; FY 2022 JUSTICE REINVESTMENT II INSTRUCTIONS

2021 Acts and Resolves No. 74, Sec. E.335, as amended by 2022 Acts and Resolves No. 83, Sec. 62, and as amended by 2022 Acts and Resolves No. 185, Sec. C.111 is further amended to read:

Sec. E.335 CORRECTIONS APPROPRIATIONS; UNEXPENDED FUNDS TRANSFER; JUSTICE REINVESTMENT; REPORT

(c) Any funds ~~expended~~ authorized to be used on ~~community-based service programs~~ justice reinvestment programs pursuant to subsection (b) of this section shall be included in the subsequent year Department of Corrections budget for the same purpose at the same amount may be spent over multiple fiscal years until fully expended.

EXPLANATION: This language clarifies that carried forward funds from FY 2022 to FY 2023, moved from Out of State Beds to Justice Reinvestment II in the FY 2023 budget adjustment, may be spent over multiple fiscal years, does not create an unfunded mandate in the subsequent fiscal year, and more accurately defines legislative intent for use of funds on justice reinvestment programs.

Sec. C.103 DOC; FY 2023 JUSTICE REINVESTMENT II INSTRUCTIONS

2022 Acts and Resolves No. 185, Sec. E.335 is amended to read:

Sec. E.335 CORRECTIONS APPROPRIATIONS; UNEXPENDED FUNDS TRANSFER; JUSTICE REINVESTMENT; REPORT

(c) Any funds ~~expended~~ authorized to be used on ~~community-based service programs~~ justice reinvestment programs pursuant to subsection (b) of this section shall be included in the subsequent year Department of Corrections budget for the same purpose at the same amount may be spent over multiple fiscal years until fully expended.

EXPLANATION: This language clarifies that anticipated carried forward funds from FY 2023 to FY 2024, anticipated to be moved from Out of State Beds to Justice Reinvestment II in the FY 2024 budget adjustment, may be spent over multiple fiscal years, does not create an unfunded mandate in the subsequent fiscal year, and more accurately defines legislative intent for use of funds on justice reinvestment programs.

Sec. C.104 2022 Act 185 Section E.806 is added to read:

E.806 3 V.S.A. § 2473a is repealed.

2473a. Vermont Life magazine

~~(a) The Department of Tourism and Marketing, within the Agency of Commerce and Community Development, shall be responsible for the publication of Vermont Life magazine. The mission of Vermont Life magazine shall be to promote subtly the State in a premier quality magazine filled with the best writing, illustration, art, and photography Vermont has to offer. Every issue of Vermont Life magazine shall celebrate the unique heritage, countryside, traditions, and people of Vermont and explore issues of contemporary interest to Vermonters and visitors of the State.~~

~~(b) The overall operations of Vermont Life magazine shall be managed by a publisher, who shall be a State employee exempt from the classified service and who shall report to the Commissioner of Tourism and Marketing. The editorial functions of Vermont Life magazine shall be directed by an editor, who shall be a State employee exempt from the classified service and who shall report to the publisher. Vermont Life magazine editorial decisions shall be made by Vermont Life magazine editorial staff pursuant to the mission of the magazine and shall be protected from and independent of outside influence, including that from the Legislative or Executive Branch of State government.~~

~~(c) An enterprise fund for the operation of Vermont Life magazine is created, which shall consist of all revenues derived from the sale of Vermont Life magazine, advertising in Vermont Life magazine, the sale of other products under the Vermont Life label, digital and other emerging media, advisory services, sponsorships, grants, events, promotions, competitions, partnerships, licensing, fundraisers, markups on retail sales of other parties' products, other commercial activities that are consistent with Vermont Life values and supportive of the Vermont brand and approved by the Secretary with the consultation of the Vermont Life Advisory Board established in Executive Order #22-2, any interest earned by Vermont Life magazine, and all sums which are from time to time appropriated for the support of Vermont Life magazine and its operations.~~

~~(d) All expenses incurred in the production, publication, and sale of Vermont Life magazine, advertising, and other products under the Vermont Life label shall be paid from the Enterprise Fund.~~

~~(e) The receipt and expenditure of monies from the Enterprise Fund shall be under the supervision of the business manager and at the direction of the publisher, subject to the provisions of this section. Vermont Life magazine shall maintain accurate and complete records of all receipts and expenditures by and from the Fund.~~

EXPLANATION: Vermont Life Magazine has terminated operations. The fund is being closed and the balance of the enterprise fund is being transferred to the General Fund.

Sec. C.105 2022 Act 185 Section E.806.1 is added to read:

E.806.1 Closure of Vermont Life Magazine Fund

The Vermont Life Magazine Fund [#50400] is closed. Any residual balance remaining beyond the \$374,000.26 transfer to the General Fund, per Section D.101(b)(1) of this Act, shall also be transferred to the General Fund to bring the Vermont Life Magazine Fund to a \$0.00 balance for closure.

EXPLANATION: The language ensures the Vermont Life Magazine Fund is brought to a \$0.00 balance to enable closure of the fund.

Sec. C.106 2022 Act 185 Section E.900 is added to read:
Fiscal Year 2022 Transportation Fund Budget Stabilization Reserve
For the purpose of calculating the fiscal year 2022 transportation fund stabilization requirement of 5% of prior year appropriations, reversions of \$1,360,563 are excluded from the fiscal year 2021 total appropriations amount.

EXPLANATION: This language is needed to exclude Transportation Fund reversions from the total appropriations amount used for the calculation of the 5% stabilization reserve. This language was inadvertently omitted from the FY 22 BAA.

Sec. C.107 2022 Act 185 Section E.900.1 is added to read:
FY 2023 Transportation Fund Budget Stabilization Reserve
For the purpose of calculating the FY 2023 Transportation Fund stabilization requirement of 5% of prior year appropriations, reversions of \$3,933,027 are excluded from FY 2022 total appropriations.

EXPLANATION: This language is needed to exclude Transportation Fund reversions from the total appropriations used for the calculation of the 5% Stabilization Reserve.

* * * Fiscal Year 2024 Fund Transfers and Reserve Allocations * * *

Sec. D.100 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.

(1) The sum of \$560,000 is appropriated from the Current Use 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 \$560,000 from the property transfer tax deposited into the Current Use Administration Special Fund will be transferred into the General Fund.

(2) The sum of \$11,462,855 is appropriated from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board (VHCB). Notwithstanding 10 V.S.A. § 312, amounts above \$11,462,855 from the property transfer tax and surcharge established by 32 V.S.A. § 9602a deposited into the Vermont Housing and Conservation Trust Fund will be transferred into the General Fund.

(A) The dedication of \$2,500,000 in revenue from the property transfer tax pursuant to 32 V.S.A. § 9610(d) for the debt payments on the affordable housing bond (10 V.S.A. § 314) is to be offset by the reduction of \$1,500,000 in the appropriation to VHCB and \$1,000,000 from the surcharge established by 32 V.S.A. § 9602a. The FY 2024 appropriation of \$11,462,855 to VHCB reflects the \$1,500,000 reduction. The affordable housing bond and related property transfer tax and surcharge provisions are repealed after the life of the bond on July 1, 2039. Once the bond is retired, the \$1,500,000 reduction in the appropriation to VHCB is intended to be restored.

(3) The sum of \$6,045,993 is appropriated from the Municipal and Regional Planning Fund. Notwithstanding 24 V.S.A. § 4306(a), amounts above \$6,045,993 from the property transfer tax that are deposited into the Municipal and Regional Planning Fund will be transferred into the General Fund. The \$6,045,993 will be allocated as follows:

(A) \$4,711,650 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) \$898,283 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b); and

(C) \$436,060 to the Agency of Digital Services for the Vermont Center for Geographic Information.

EXPLANATION: Language provides the property transfer tax allocation.

Sec. D.101 FUND TRANSFERS, REVERSIONS, AND RESERVES

(a) Notwithstanding any other provision of law, the following amounts will be transferred from the funds indicated:

(1) From the General Fund to the:

(A) Transportation Fund – Non-Dedicated (20105): \$10,925,980

EXPLANATION: Provides the additional matching funds necessary, in FY 2024, for the Agency of Transportation to maximize IIIA receipts.

(B) Environmental Contingency Fund (21275): \$9,000,000

EXPLANATION: For PFAS remediation per Section B.1101(a)(2) of this Act.

(C) Enhanced 9-1-1 Board Fund (21711): \$1,300,000

EXPLANATION: Capitalize current fund deficit.

(D) Fire Prevention/Building Inspection Special Fund (21901): \$1,500,000

EXPLANATION: Capitalize current fund deficit.

(E) Technology Modernization Special Fund (21951): \$15,000,000

EXPLANATION: Transfer to capitalize fund for current year expenditures.

(F) Capital Expenditure Cash Fund (21952): \$79,957,082 to be used as follows:

(1) \$62,000,000 for use on capital projects as appropriated in the capital bill.

(2) \$17,957,082 to make the first annual transfer under the proposed statutory formula of 4% of the last completed fiscal year's general fund appropriations minus the annual general fund debt service appropriation for the current budget year.

EXPLANATION: Use of General Fund surplus to offset future debt service costs, and first annual transfer of General Fund to the Capital Expenditure Cash Fund as explained in Sec. E.1000 of this act.

(2) From the Clean Water Fund (21932) established by 10 V.S.A. § 1388 to the:

(A) Agricultural Water Quality Special Fund (21933) created under 6 V.S.A. §4803: \$6,684,880.

EXPLANATION: Transfer includes funding for grants, staff, and operating costs.

(B) Lake in Crisis Response Program Special Fund (21938) created under 10 V.S.A. §1315: \$120,000.

EXPLANATION: Transfer includes funding for grants, staff and operating costs.

(3) From the Transportation Fund to the Downtown Transportation and Related Capital Improvement Fund (21575) established by 24 V.S.A. § 2796 to be used by the Vermont Downtown Development Board for the purposes of the Fund: \$523,966.

EXPLANATION: Annual transfer to support the program at the Agency of Commerce and Community Development.

(b) Notwithstanding any provisions of law to the contrary, in FY 2024:

(1) The following amounts will be transferred to the General Fund from the funds indicated:

<u>22005</u>	<u>AHS Central Office Earned Federal Receipts</u>	<u>\$4,641,960</u>
<u>50300</u>	<u>Liquor Control Fund</u>	<u>\$21,200,000</u>
	<u>Caledonia Fair</u>	<u>\$5,000</u>
	<u>North Country Hospital Loan Repayment</u>	<u>\$29,047</u>
	<u>Springfield Hospital Promissory Note Repayment</u>	<u>\$121,412</u>

EXPLANATION: Direct applications from AHS and DLL; typical annual payments from Caledonia Fair and North Country Hospital; Springfield Hospital promissory note is based on bankruptcy settlement.

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, will be transferred to the General Fund. The Commissioner of Finance and Management will report to the Joint Fiscal Committee at its July meeting the final amounts transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

<u>21638</u>	<u>AG-Fees & reimbursement – Court order</u>	<u>\$ 1,000,000.00</u>
<u>62100</u>	<u>Unclaimed Property Fund</u>	<u>\$ 1,743,425.00</u>

EXPLANATION: FY 2024 estimated direct applications to the General Fund.

(3) Notwithstanding 2016 Acts and Resolves No. 172, Section E. 228, \$60,044,000 of the unencumbered balances in the Insurance Regulatory and Supervision Fund (21075), the Captive Insurance Regulatory and Supervision Fund (21085), and the Securities Regulatory and Supervision Fund (21080) will be transferred to the General Fund.

EXPLANATION: The annual direct application from the Department of Financial Regulation (DFR) for FY 2024.

(c) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts will revert to the General Fund from the accounts indicated:

<u>3400004000</u>	<u>Agency of Human Services – Secretary’s Office-Global Commitment</u>	<u>\$15,103,683</u>
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EXPLANATION: FY 2024 one-time General Fund savings from the continuation of the enhanced Federal Medical Assistance Percentage.

(d) Notwithstanding any provisions of law to the contrary, in fiscal year 2024 the following estimated General Fund reserves will be made:

(1) Pursuant to 32 V.S.A. § 308, an estimated amount of ~~\$4,378,979.65~~ \$4,373,979.65 will be unreserved from the General Fund Budget Stabilization Reserve.

EXPLANATION: FY 2024 estimated amount released from the Budget Stabilization Reserve to maintain its 5% cap.

(2) ~~\$68,221,667.46~~ \$68,116,667.46 will be reserved in the General Fund for transfer to the Transportation Fund, as necessary in fiscal years 2025 and 2026, to meet state matching requirements for federal IJA funds.

EXPLANATION: Reserves General Fund for anticipated IJA matching funds need. Ensures AOT has the funding necessary to maximize future IJA federal receipts.

Sec. D.102 27/53 RESERVE

(a) \$5,350,000 General Fund will be transferred to the 27/53 reserve in FY 2023. This action is the FY 2024 contribution to the reserve for the 53rd week of Medicaid as required by 32 V.S.A. Sec. 308e and the 27th payroll reserve as required by 32 V.S.A. 308e.

EXPLANATION: FY 2024 prorated annual contribution to the 27/53 reserve per 32 V.S.A Sec. 308e(b)

* * * General Government * * *

Sec. E.100 EXECUTIVE BRANCH POSITIONS

(a) The establishment of thirty-four (34) permanent positions is authorized in FY 2024 as follows:

(1) Permanent classified positions:

(A) Agency of Agriculture, Food, and Markets:

(i) one (1) Consumer Protection Specialist I

(ii) two (2) Food Safety Specialist Is

(B) Criminal Justice Council: two (2) FIP Instructors

(C) Department of Disabilities, Aging, and Independent Living – Office of Public Guardians: three (3) Public Guardians

(D) Department of Children and Families:

(i) one (1) DCF Grants & Contracts Manager

(ii) one (1) Licensing Field Specialist I

(iii) one (1) Child Care Business Tech

(iv) one (1) Administrative Services Coordinator

(v) one (1) Fraud Investigator II

(vi) one (1) Business Applications Support Manager

(E) Department of Financial Regulation: two (2) Insurance Examiners

(F) Department of Human Resources:

- (i) one (1) Compensation Analyst
- (ii) one (1) Configuration Analyst II
- (iii) one (1) Employee Support Specialist
- (iv) one (1) FMLI Manager
- (v) one (1) HR Administrator III
- (vi) one (1) HR Administrator IV
- (vii) one (1) HR Manager
- (viii) one (1) Talent Coordinator

(G) Department of Liquor and Lottery:

- (i) one (1) Financial Analyst
- (ii) one (1) Sports Betting Director

(H) Department of Mental Health:

- (i) one (1) Crisis Program Director
- (ii) one (1) Mental Health Analyst I
- (iii) one (1) Operations Manager
- (iv) one (1) Training and Curriculum Development Supervisor

(I) Department of Taxes - State Appraisal and Litigation Assistance Program:

- (i) one (1) Property Valuation and Review Program Manager

(J) Office of the State Treasurer:

- (i) one (1) Program Technician
- (ii) one (1) Administrative Services Coordinator

(2) Permanent exempt positions:

(A) Department of Taxes – State Appraisal and Litigation Assistance Program: one (1) Staff Attorney

(b) The conversion of thirty-six (36) limited-service positions to classified permanent status is authorized in FY 2024 as follows:

(1) Criminal Justice Council:

(A) one (1) Victims Services Specialist;

(2) Department of Vermont Health Access, Blueprint for Health Unit:

(A) one (1) HCR Integration Manager

(3) Department of Vermont Health Access, Health Care Reform Unit:

(A) one (1) Administrative Services Manager I

(B) five (5) DVHA Program Consultants

- (C) one (1) DVHA Quality Control Manager
- (D) one (1) Health Reform Enterprise Director I
- (E) two (2) Medicaid Operations Administrators
- (F) one (1) Project & Operations Director
- (G) one (1) Project & Operations Specialist
- (H) one (1) Project Director

(4) Department of Vermont Health Access, Medicaid Policy Fiscal & Support Unit:

- (A) two (2) Audit Liaison/Internal Control positions
- (B) three (3) DVHA Healthcare QC Auditors
- (C) one (1) DVHA Healthcare QC CAP Auditor
- (D) two (2) DVHA Program & Operations Auditors
- (E) one (1) DVHA Program Consultant
- (F) one (1) Health Reform Enterprise Director I
- (G) one (1) Nurse Auditor

(5) Department of Vermont Health Access, Payment Reform/Reimbursement Unit:

- (A) one (1) Admin HC Payment Reform Analytics position
- (B) three (3) Change Management Practitioners
- (C) one (1) Deputy Director of Payment Reform
- (D) one (1) Director of Operations for ACO Programs
- (E) one (1) Grant Programs Manager
- (F) one (1) Health Care Project Director
- (G) one (1) Payment Reform Special Project Lead
- (H) one (1) Senior Policy Advisor

(c) The conversion of six (6) temporary positions to classified permanent status is authorized in FY 2024 as follows:

- (1) Department of Children and Families: five (5) Family Service Workers
- (2) E911 Board: one (1) Program Technician I

(d) The establishment of eleven (11) new classified limited-service positions is authorized in FY 2024 as follows:

- (1) Department of Children and Families for the Reach Ahead pilot program:
 - (i) one (1) Benefits Program Assistant Administrator
 - (ii) two (2) Reach Up Case Manager IIs
- (2) Department of Forests, Parks, and Recreation:
 - (A) one (1) Communications & Outreach Coordinator
 - (B) one (1) Climate Forester

(C) three (3) Forester IIs

(3) Department of Motor Vehicles: three (3) Motor Vehicle Inspectors

Sec. E.111.1 CODIFICATION OF TAX COMPUTER SYSTEM MODERNIZATION FUND

The Tax Computer System Modernization Fund established by 2007 Acts and Resolves No. 65, Section 282, as may have been amended by subsequent Acts of the Vermont State Legislature, is codified as 32 V.S.A. § 3209.

EXPLANATION: This provision authorizes codification of the Tax Computer System Modernization Fund from session law, where it has been authorized since 2007.

Sec. E.111.2 TAX COMPUTER SYSTEM MODERNIZATION FUND

32 V.S.A. § 3209 is added as follows:

§ 3209. Tax Computer System Modernization Fund

(a) The Tax Computer System Modernization Fund is established in the State Treasury as a special fund to support information technology improvements and initiatives of the Department of Taxes. Balances in the Fund will be administered by the Department of Taxes and used exclusively for the purposes prescribed in subsection (c). Balances in the Fund at the end of each fiscal year will be carried forward and remain part of the Fund. Interest earned by the Fund will be deposited into the Fund.

(b) The Fund will consist of (i) any contributions as appropriated by the General Assembly; and (ii) an amount not to exceed 0.21 percent of total revenue collected by the Department of Taxes.

(c) The Fund will be used for the development, implementation, enhancement, and maintenance of information technology systems and services for the administration of taxes and programs administered by the Department. This will include, but is not limited to, requests for proposal, business requirements, analysis, implementation of new tax types, enhancements to existing systems, and payments due to vendors of information technology systems and services.

(d) The Commissioner of Taxes will submit an annual report on the receipts, expenditures, and balances in the Tax Computer System Modernization Fund to the Joint Fiscal Committee at or prior to the November Joint Fiscal Committee meeting each year.

EXPLANATION: This provision codifies the Tax Computer System Modernization Fund from session law, where it has been authorized since 2007. It also updates the funding mechanism for the Fund, and it is part of a larger proposal to make this fund more transparent, accountable, and sustainable for the Tax Department's ongoing support and updates to its critical computer systems.

Sec. E.111.3 DEPARTMENT OF TAXES – STATE APPRAISAL AND LITIGATION ASSISTANCE PROGRAM – LOCAL OPTION TAX FEE REVENUE

24 VSA § 138(c) is amended to read:

(c) Any tax imposed under the authority of this section shall be collected and administered by the Department of Taxes, in accordance with State law governing such State tax or taxes; provided, however, that a sales tax imposed under this section shall be collected on each sale that is subject to the Vermont sales tax using a destination basis for taxation. Except with respect to taxes collected on the sale of

aviation jet fuel, a per-return fee of \$5.96 shall be assessed. Notwithstanding any other law or municipal charter, this fee shall compensate the Department for the costs of administration and collection of the local option tax and the State appraisal and litigation assistance program in 32 V.S.A. § 5413, 70 percent of which shall be borne by the municipality, and 30 percent of which shall be borne by the State to be paid from the PILOT Special Fund. The fee shall be subject to the provisions of 32 V.S.A. § 605.

EXPLANATION: Enables the Department to fund the State Appraisal and Litigation Program from the fee charged for the administration and collection of Local Option Taxes.

Sec.E.139 GRAND LIST LITIGATION ASSISTANCE

(a) Of the appropriation in Sec. B.139 of this act, \$9,000 will be transferred to the Attorney General and \$70,000 will be transferred to the Department of Taxes, Division of Property Valuation and Review, and reserved and used with any remaining funds from the amount previously transferred for final payment of expenses incurred by the Department or towns in defense of grand list appeals regarding the reappraisals of the hydroelectric plants and other property owned by TransCanada Hydro Northeast, Inc. and its successor Great River Hydro, LLC in the State of Vermont. Expenditures for this purpose will be considered qualified expenditures under 16 V.S.A. § 4025(c).

EXPLANATION: Annual language that provides funding to support towns' litigation cost for the "Great River Hydro, LLC" (formerly "TransCanada Northeast") project.

Sec. E.142 PAYMENTS IN LIEU OF TAXES

(a) This appropriation is for State payments in lieu of property taxes under 32 V.S.A. chapter 123, subchapter 4. The payments will be calculated in addition to and without regard to the appropriations for PILOT for Montpelier and for correctional facilities elsewhere in this act. Payments in lieu of taxes under this section will be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

EXPLANATION: Annual language clarifying that these payments are in addition to, and separate from, those appropriated elsewhere in this Act for the city of Montpelier and correctional facilities.

Sec. E.143 PAYMENTS IN LIEU OF TAXES – MONTPELIER

(a) Payments in lieu of taxes under this section will be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

EXPLANATION: Standard language.

Sec. E.144 PAYMENTS IN LIEU OF TAXES – CORRECTIONAL FACILITIES

(a) Payments in lieu of taxes under this section will be paid from the pilot Special Fund under 32 V.S.A. § 3709.

EXPLANATION: Standard language.

Sec. E.200 ATTORNEY GENERAL

(a) Notwithstanding any other provisions of law, the Office of the Attorney General, Medicaid Fraud and Residential Abuse Unit, is authorized to retain, subject to appropriation, one-half of the State share of any recoveries from Medicaid fraud settlements, excluding interest, that exceed the State share of restitution

to the Medicaid Program. All such designated additional recoveries retained will be used to finance Medicaid Fraud and Residential Abuse Unit activities.

(b) Of the revenue available to the Attorney General under 9 V.S.A. § 2458(b)(4), \$1,545,393 is appropriated in Sec. B.200 of this act.

EXPLANATION: Standard language.

Sec. E.208 PUBLIC SAFETY – ADMINISTRATION

(a) The Commissioner of Public Safety is authorized to enter into a performance-based contract with the Essex County Sheriff's Department to provide law enforcement service activities agreed upon by both the Commissioner of Public Safety and the Sheriff.

EXPLANATION: Standard language.

Sec. E.209 PUBLIC SAFETY – STATE POLICE

(a) Of the General Fund appropriation in Sec. B.209, \$35,000 will be available to the Southern Vermont Wilderness Search and Rescue Team, which comprises State Police, the Department of Fish and Wildlife, county sheriffs, and local law enforcement personnel in Bennington, Windham, and Windsor Counties, for snowmobile enforcement.

(b) Of this appropriation, \$405,000 is allocated for grants in support of the Drug Task Force. Of this amount, \$190,000 will be used by the Vermont Drug Task Force to fund three town task force officers. These town task force officers will be dedicated to enforcement efforts with respect to both regulated drugs as defined in 18 V.S.A. § 4201(29) and the diversion of legal prescription drugs. Any unobligated funds may be allocated by the Commissioner to the Drug Task Force or carried forward.

EXPLANATION: Standard language.

Sec. E.212 PUBLIC SAFETY – FIRE SAFETY

(a) Of this General Fund appropriation, \$55,000 will be granted to the Vermont Rural Fire Protection Task Force to design dry hydrants.

EXPLANATION: Standard language.

Sec. E.215 MILITARY - ADMINISTRATION

(a) The amount of \$1,319,834 will be disbursed to the Vermont Student Assistance Corporation for the National Guard Tuition Benefit Program established in 16 V.S.A. § 2857.

EXPLANATION: Standard language.

Sec. E.219 MILITARY – VETERANS' AFFAIRS

(a) Of the funds appropriated in Sec. B.219 of this act, \$1,000 will be used for continuation of the Vermont Medal Program; \$4,800 will be used for the expenses of the Governor's Veterans' Advisory Council; \$7,500 will be used for the Veterans' Day parade; and \$10,000 will be granted to the American Legion for the Boys' State and Girls' State programs.

EXPLANATION: Standard language.

Sec. E.233 CRITICAL COMMUNICATIONS INFRASTRUCTURE PROGRAM; PURPOSE; DUTIES

30 V.S.A. § 7517 is added to read:

§ 7517. Critical Communications Infrastructure Program

(a) Purpose. The purpose of the Critical Communications Infrastructure Program (CCIP) is to improve availability of commercial mobile wireless voice services (CMRS) in areas where those services are currently unavailable.

(b) The Public Service Department, in cooperation with the Agency of Transportation, will:

(1) Evaluate CMRS services through a driving test of all federal aid highways;

(2) Prioritize road segments identified from the drive test as having no or low- quality voice service using traffic counts and the quantity of E-911 business and residential locations in proximity. In identifying priority road segments, the Department will seek input on a draft set of Priority Road Segments, including from state agencies and regional planning commissions, and any other stakeholders that the Commissioner deems necessary and;

(3) Retain an expert to identify Search Rings, defined as geographic areas in which towers could be deployed to provide mobile wireless service to the Priority Road Segments. In developing the Search Rings, the expert will consider the locations of existing tower sites and the optimal extension of existing coverage.

(c) The Department will develop a program to competitively award grants to facilities-based carriers and tower operators that results in the deployment of new wireless facilities in areas identified for priority in accordance with subsection (b). In creating the program, the Department will ensure the funding is awarded in a manner that:

(1) Ensures wireless voice coverage national facilities based CMRS carriers

(2) Provides coverage in unserved areas of all Vermont counties

(3) Provides low-cost or free access to some facilities by Vermont public safety organizations

(d) In developing the program, the Commissioner may retain outside consultants to assist with all steps of the program. The Commissioner may also consider Neutral Host Networks in areas that cannot otherwise be supported by the program.

EXPLANATION: Codifies the creation of the Critical Communications Infrastructure Program attached to the one-time funding provided in Section B.1100(a)(12) of this Act.

Sec. E.236.1 31 V.S.A. § 651 is amended to read:

The Board of Liquor and Lottery shall adopt rules pursuant to 3 V.S.A. chapter 25, governing the establishment and operation of the State Lottery. The rules may include the following:

(1) Types of lotteries to be conducted, ~~to include sports wagering, provided that no lottery shall be conducted that depends upon the outcome of an athletic contest except that the lottery may be affiliated with a sporting event,~~ or sweepstakes, where the outcome is determined solely by lot or random drawing and not by choice of the lottery participant.

(8) Method for sale of tickets, provided that they may be sold only for cash, debit card or electronic transfer.

EXPLANATION: This statutory change removes language that prohibits sports betting and adds debit cards and electronic transfers as permitted payment methods.

Sec. E.300 FUNDING FOR THE OFFICE OF THE HEALTH CARE ADVOCATE

(a) Of the funds appropriated in Sec. B.300 of this act, \$1,847,406 will be used for the contract with the Office of the Health Care Advocate.

EXPLANATION: Pursuant to 2015 Act 54 Sec 53(c).

Sec. E.301 SECRETARY’S OFFICE – GLOBAL COMMITMENT

(a) The Agency of Human Services will use the funds appropriated in this section for payment of the actuarially certified premium required under the intergovernmental agreement between the Agency of Human Services and the managed care entity, the Department of Vermont Health Access, as provided for in the Global Commitment for Health Waiver (Global Commitment) approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

(b) In addition to the State funds appropriated in this section, a total estimated sum of \$25,231,644 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) \$21,957,400 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with \$28,542,600 of federal funds appropriated in Sec. B.301 of this act equals a total estimated expenditure of \$50,500,000. An amount equal to the amount of the federal matching funds for eligible special education school-based Medicaid services under Global Commitment will be transferred from the Global Commitment Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A. § 2959a.

(2) \$3,093,521 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

(c) Up to \$4,034,170 is transferred from the AHS Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Section B.301 – Secretary’s Office – Global Commitment of this Act.

EXPLANATION: Language is required to clarify the source of IDT funds in the AHS Global Commitment appropriation, as well as to update estimated appropriations and available certified State match as proposed in the FY 2024 budget.

Sec. E.301.1 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER; REPORT

(a) To facilitate the end-of-year closeout for FY 2024, the Secretary 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 the Agency of Human Services. At least three business days prior to any transfer, the agency will submit to the Joint Fiscal Office a proposal of transfers to be made pursuant to this section. A final report on all transfers made under this section will be made to the Joint Fiscal Committee for review at the September 2024 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: Medicaid services are included in numerous appropriations within AHS, and outside of AHS. While best efforts are made to accurately project expenditures in each appropriation in the Big Bill, and refined again in the BAA, there is always a need at the end of the year to true-up to actual expenditures and activities. The JFC reporting requirement ensures that the legislature is aware of these adjustments.

Sec. E.301.2 MEDICAID HOME AND COMMUNITY-BASED SERVICES (HCBS) PLAN

2022 Acts and Resolves No. 83, Sec. 72a as amended by 2022 Acts and Resolves No. 185, Sec. C.105 is further amended to read:

- (f) The Global Commitment Fund appropriated in subsection (e) of this section may be obligated in fiscal year 2023 and FY 2024 for the purposes of bringing HCBS plan spending authority forward into fiscal year 2024 and FY 2025, respectively. The funds appropriated in subsections (b), (c), and (e) of this section may be transferred on a net-neutral basis in fiscal year 2023 and FY 2024 in the same manner as the Global Commitment appropriations in Sec. E.301 of H.740 of 2022. The Agency shall report to the Joint Fiscal Committee in September 2023 and September 2024, respectively, on transfers of appropriations made and final amounts expended by each department in fiscal year 2023 and FY 2024, respectively, and any obligated funds carried forward to be expended in fiscal year 2024 and FY 2025, respectively.

EXPLANATION: The federal government has extended HCBS fund availability until March 2025 and therefore AHS requires the HCBS Global Commitment Fund transfer flexibility language and the carryforward language to be extended into FY 2025.

Sec. E.306 VERMONT HEALTH BENEFIT EXCHANGE RULES

- (a) The Agency of Human Services may adopt rules pursuant to 3 V.S.A. chapter 25 to conform Vermont's rules regarding health care eligibility and enrollment and the operation of the Vermont Health Benefit Exchange to state and federal law and guidance. The Agency may use the emergency rules process pursuant to 3 V.S.A. § 844 prior to June 30, 2024, but only if new state or federal law or guidance require Vermont to amend or adopt its rules in a time frame that cannot be accomplished under the traditional rulemaking process. An emergency rule adopted under these exigent circumstances will be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

EXPLANATION: Annual language requirement to appropriately position DVHA to adapt its rules relative to changes in federal and/or state laws governing the Vermont Health Benefits Exchange.

Sec. E.306.1 HEALTH IT-FUND REVENUE SUNSET

2013 Acts and Resolves No. 73, Sec. 60(10), as amended by 2017 Acts and Resolves No. 73, Sec. 14, 2018 Acts and Resolves No. 187, Sec. 5, 2019 Acts and Resolves No. 71, Sec. 21, and as amended by 2021 Acts and Resolves No. 73, Sec. 14, is further amended to read:

- (10) Secs. 48–51 (health claims tax) shall take effect on July 1, 2013 and Sec. 52 (Health IT-Fund; sunset) shall take effect on July 1, ~~2023~~ 2025.

EXPLANATION: Language is required to extend the sunset of the Health IT fund and is customarily extended by one year as compared to current law until a policy change is initiated.

Sec. E.306.2 HEALTH CARE CLAIMS TAX

2019 Acts and Resolves No. 6, Sec. 105 as amended by 2019 Acts and Resolves No. 71, Sec. 19, is further amended to read:

(b) Sec. 73 (further amending 32 V.S.A. Sec. 10402) shall take effect on July 1, ~~2024~~, 2025.

EXPLANATION: This language is required to extend the .199% Health Care Claims tax to fund the HIT Fund through 2025 to align with Sec. E.306.1 above.

Sec. E.307 LONG-TERM CARE - PERSONAL NEEDS ALLOWANCE

2022 Acts and Resolves No. 185, Sec. E. 334.1 is amended to read:

- (a) The amount of the State supplement for Medicaid beneficiaries who reside in a nursing home and receive Supplemental Security Income shall increase by 10 percent to the degree practicable effective January 1, 2023 but not later than January 1, 2024.
- (b) The amount of the personal needs allowance for all Medicaid beneficiaries who reside in a nursing home will increase by 10 percent to the degree practicable effective January 1, 2023 but not later than January 1, 2024.

EXPLANATION: Language necessary to execute legislative intent to extend increased PNA for all Medicaid beneficiaries, both those who receive SSI and those who do not.

Sec. E.309 VERMONT COST SHARING REDUCTIONS

33 V.S.A. § 1812 (Financial assistance to individuals) Secs. (b)(1), (b)(2), and (b)(3) are repealed effective January 1, 2024.

EXPLANATION: VCSR is a state-funded program to reduce out-of-pocket costs for eligible, qualified health plan enrollees. Federal changes in recent years have made health plans with even lower out-of-pocket costs more affordable for Vermonters. As a result, VCSR complicates coverage decisions for enrollees and is no longer an efficient use of state dollars. Therefore, the proposal is to eliminate the program effective January 1, 2024.

Sec. E.312 HEALTH – PUBLIC HEALTH

(a) AIDS/HIV funding:

(1) In FY 2024, and as provided in this section, the Department of Health will provide grants in the amount of \$475,000 in AIDS Medication Rebates special funds to the Vermont AIDS service and peer-support organizations for client-based support services. The Department of Health AIDS Program will meet at least quarterly with the Community Advisory Group (CAG) with current information and data relating to service initiatives. The funds will be allocated according to an RFP process.

(2) In FY 2024, and as provided in this section, the Department of Health will provide grants in the amount of \$295,000 to the following organizations:

(A) Vermont CARES - \$140,000;

(B) AIDS Project of Southern Vermont - \$100,000; and

(C) HIV/HCV Resource Center - \$55,000.

(3) Ryan White Title II funds for AIDS services and the Vermont Medication Assistance Program (VMAP) will be distributed in accordance with federal guidelines. The federal guidelines will not apply to programs or services funded solely by State general funds.

(A) The Secretary of Human Services will immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in VMAP to assist all eligible individuals. The Secretary will work in collaboration with persons living with HIV/AIDS to develop a plan to continue access to VMAP medications until such time as the General Assembly can act.

(B) As provided in this section, the Secretary of Human Services will work in collaboration with the VMAP Advisory Committee, which will be composed of not less than 50 percent of members who are living with HIV/AIDS. If a modification to the program's eligibility requirements or benefit coverage is considered, the Committee will make recommendations regarding the program's formulary of approved medication, related laboratory testing, nutritional supplements, and eligibility for the program.

(4) In FY 2024, the Department of Health will provide grants in the amount of \$100,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for community-based HIV prevention programs and services. These funds will be used for HIV/AIDS prevention purposes, including syringe exchange programs; improving the availability of confidential and anonymous HIV testing; prevention work with at-risk groups such as women, intravenous drug users, and people of color; and anti-stigma campaigns. Not more than 15 percent of the funds may be used for the administration of such services by the recipients of these funds. The method by which these prevention funds are distributed will be determined by mutual agreement of the Department of Health and the Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers.

(5) In FY 2024, the Department of Health will provide grants in the amount of \$300,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for syringe exchange programs. The method by which these prevention funds are distributed will be determined by mutual agreement of the Department of Health, the Vermont AIDS service organizations, and other Vermont HIV/AIDS prevention providers. The performance period for these grants will be State fiscal year 2024. Grant reporting will include outcomes and results.

(6) In FY 2024, the Department of Health will not reduce any grants to the Vermont AIDS service and peer-support organizations or syringe service programs from funds appropriated for AIDS/HIV services to levels below those in FY 2023 without receiving prior approval from the Joint Fiscal Committee.

EXPLANATION: Annual language that provides guidance to the Department of Health and Agency of Human Services about the allocation and administration of funds for HIV/AIDS prevention and services.

Sec. E.318 FPL INCREASE

33 V.S.A. § 3512 (Child Care Financial Assistance Program; eligibility) is amended to read:

(2) The subsidy authorized by this subsection shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. Families shall be found eligible using an income

eligibility scale based on the current federal poverty level and adjusted for the size of the family. Co-payments shall be assigned to the whole family and shall not increase if more than one eligible child is enrolled in childcare. Families with an annual gross income of less than or equal to 150 percent of the current federal poverty guidelines shall not have a family co-payment. Families with an annual gross income up to and including ~~350~~ 400 percent of current federal poverty guidelines, adjusted for family size, shall be eligible for a subsidy authorized by the subsection. The scale shall be structured so that it encourages employment. If the federal poverty guidelines decrease in a given year, the Division shall maintain the previous year's federal poverty guidelines for the purpose of determining eligibility and benefit amount under this subsection.

EXPLANATION: Increasing FPL, part of the Early Childhood Governance Proposal.

Sec. E.318.1 STARS ADJUSTMENT

33 V.S.A. § 3514 (Payment to providers) is amended to read:

~~(2) The payment schedule shall include reimbursement rate caps tiered in relation to provider ratings in the Vermont STARS program. The lower limit of the reimbursement rate caps shall be not less than the 50th percentile of all reported rates for the same provider setting in each rate category.~~

EXPLANATION: Amending STARS language, part of the Early Childhood Governance Proposal.

Sec. E.321 GENERAL ASSISTANCE HOUSING; ADVERSE WEATHER CONDITIONS

(a) The Commissioner for Children and Families may, by policy, provide temporary housing for a limited duration in adverse weather conditions when appropriate shelter space is not available.

EXPLANATION: This language is needed for DCF to carry out the exception to General Assistance Housing rules due to adverse weather conditions.

Sec. E.323 REACH FIRST

33 V.S.A. § 1001 (Definitions) is amended to read:

As used in this chapter:

(1) ~~“Able to work” means to be free of any physical, emotional, or mental condition that would prevent the individual from engaging in any combination of the work activities for at least 35 hours per week.~~

(2) ~~“Able to work part time” means having a physical, emotional, or mental condition that would allow the individual to engage in any combination of the work activities for at least 10 hours per week but would prevent the individual from engaging in such activities for 35 or more hours per week.~~

(25) ~~“Unable to work” means not able to work and not able to work part time.~~

(26) ~~“Work activities” means the following activities limited to the extent and degree that they are allowed and countable in accordance with Part A of Title IV of the Social Security Act:~~

- ~~(A) unsubsidized employment;~~
- ~~(B) subsidized private sector employment;~~
- ~~(C) subsidized public sector employment;~~
- ~~(D) work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;~~
- ~~(E) on the job training;~~
- ~~(F) job search and job readiness assistance;~~
- ~~(G) community service programs;~~
- ~~(H) vocational educational training (not to exceed 12 months with respect to any individual);~~
- ~~(I) job skills training directly related to employment;~~
- ~~(J) education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;~~
- ~~(K) satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate;~~
- ~~(L) the provision, consistent with the Department's rules applicable to self-employment, of child care services to an individual who is participating in a community service program;~~
- ~~(M) attendance at a financial literacy class; and~~
- ~~(N) any other work activity recognized in accordance with Part A of Title IV of the Social Security Act, as amended.~~

~~(27) — “Work ready” means the participant possesses the education or skills demanded by the local job market or is capable of participating in one or more work activities at the level required by the participant’s work requirement, and is not subject to any barrier.~~

EXPLANATION: This amendment aligns DCF program requirements for programs used by the same or similar populations. DCF will be implementing rules for 2022 Act 133 in the summer of 2023 and this language will ensure one set of rules across multiple programs.

Sec. E.323.1 REACH FIRST

33 V.S.A. § 1004 (Reach First payment) is amended to read:

(c) For the purposes of calculating the payment, child support shall be treated as income, except that the first \$5100.00 amount of child support shall be disregarded from income.

EXPLANATION: This amendment aligns DCF program requirements for programs used by the same or similar populations. DCF will be implementing rules for 2022 Act 133 in the summer of 2023 and this language will ensure one set of rules across multiple programs.

Sec. E.323.2 REACH FIRST

33 V.S.A. § 1005 (Required services to participating families) is amended to read:

~~(8) Assistance with obtaining documentation of an apparent or claimed physical, emotional, or mental condition that reasonably can be presumed to limit or eliminate the individual's capacity to engage in employment or other work activity.~~

EXPLANATION: This amendment aligns DCF program requirements for programs used by the same or similar populations. DCF will be implementing rules for 2022 Act 133 in the summer of 2023 and this language will ensure one set of rules across multiple programs.

Sec. E.323.3 REACH FIRST

33 V.S.A. § 1006 (Case management; family development plans; coordinated services) is amended to read:

(b) The family development plan shall include:

(1) Each parent or caretaker's employment goal or plan to engage in the program, to the best of their ability.

EXPLANATION: This amendment aligns DCF program requirements for programs used by the same or similar populations. DCF will be implementing rules for 2022 Act 133 in the summer of 2023 and this language will ensure one set of rules across multiple programs.

Sec. E.323.4 REACH FIRST

33 V.S.A. § 1011 (Transition to other programs) is amended to read:

~~(b) If a family finds employment meeting or exceeding the work requirements for Reach Up for the family's size and composition, but is financially eligible for Reach Up, the Department shall transfer the family to Reach Up, unless the family chooses not to participate. A family transferring from Reach First to Reach Up shall be treated as a recipient for the purposes of income calculation.~~

~~(c) If a family finds employment meeting or exceeding the work requirements for Reach Up for the family's size and composition, is not financially eligible for Reach Up, and is eligible for the Reach Ahead program, the Department shall transfer the family to Reach Ahead, unless the family chooses not to participate. A family transferring from Reach First to Reach Ahead shall be treated as a recipient for the purposes of income calculation.~~

EXPLANATION: This amendment aligns DCF program requirements for programs used by the same or similar populations. DCF will be implementing rules for 2022 Act 133 in the summer of 2023 and this language will ensure one set of rules across multiple programs.

Sec. E.323.5 REACH AHEAD

33 V.S.A. § 1203 (Eligibility) is amended to read:

A family shall be eligible for Reach Ahead if the family resides in Vermont and:

- (1) has left Reach Up or the postsecondary education program within the prior six months for employment that meets the federal work requirements for the ~~Reach Up~~ TANF program for the family's size and composition;

EXPLANATION: This amendment aligns DCF program requirements for programs used by the same or similar populations. DCF will be implementing rules for 2022 Act 133 in the summer of 2023 and this language will ensure one set of rules across multiple programs.

Sec. E.323.6 REACH AHEAD

33 V.S.A. § 1212 (Transition to other programs) is amended to read:

If a family loses employment meeting or exceeding the work requirements for ~~Reach Up~~ TANF for the family's size and composition and is financially eligible for Reach Up, the family shall be transferred to Reach First or Reach Up without an additional application process, unless the family chooses not to participate. Verification of income or other documentation may be required as provided for by rule.

EXPLANATION: This amendment aligns DCF program requirements for programs used by the same or similar populations. DCF will be implementing rules for 2022 Act 133 in the summer of 2023 and this language will ensure one set of rules across multiple programs.

Sec. 323.7 REACH AHEAD PILOT PROGRAM

- a) Notwithstanding anything to the contrary in title 33 chapter 12, funds appropriated to the Department for Children and Families in the Reach Ahead program in fiscal year 2024 will be used to:
 - i) Enroll families that have left the Reach Up or the postsecondary education program within the prior 12 months for employment that meets the federal work requirements for TANF program for the family's size and composition;
 - ii) Increase the amount of monthly food assistance from \$50 to \$100 in the first 12 months of a family's participation in Reach Ahead;
 - iii) Increase the amount of monthly food assistance from \$5.00 to \$50.00 in the second 12 months of a family's participation in Reach Ahead; and
 - iv) Provide incentive payments to participating families in the amounts of:
 - (1) \$750, to be paid after participating in the program for six months;
 - (2) \$1,000, to be paid after participating in the program for 12 months;
 - (3) \$1,000, to be paid after participating in the program for 18 months; and
 - (4) \$1,000, to be paid after participating in the program for 24 months.
- b) The Department for Children and Families Economic Services Division is authorized to create three limited service positions to support the pilot program, as described in Section E.100(d)(1) of this Act.
- c) This section will expire June 30, 2025.

EXPLANATION: Part of the Reach Up/Reach Ahead DCF pilot.

Sec. E.324 EXPEDITED CRISIS FUEL ASSISTANCE

(a) The Commissioner for Children and Families or designee may authorize crisis fuel assistance to those income-eligible households that have applied for an expedited seasonal fuel benefit but have not yet received it if the benefit cannot be executed in time to prevent them from running out of fuel. The crisis fuel grants authorized pursuant to this section count toward the one crisis fuel grant allowed per household for the winter heating season pursuant to 33 V.S.A. § 2609(b).

EXPLANATION: Annual language to ensure eligible families can receive assistance on an expedited basis so that they do not run out of fuel.

Sec. E.325 DEPARTMENT FOR CHILDREN AND FAMILIES – OFFICE OF ECONOMIC OPPORTUNITY

- (a) Of the General Fund appropriation in Sec. B.325 of this act, \$12,789,597 will be granted to community agencies for homeless assistance by preserving existing services, increasing services, or increasing resources available statewide. These funds may be granted alone or in conjunction with federal Emergency Solutions Grants funds. Funds will be administered in consultation with the Vermont Coalition to End Homelessness.
- (b) Of the General Fund appropriation in Sec. B.325 of this act, \$170,301 will be granted to community agencies for financial coaching.

EXPLANATION: Annual language which authorizes spending on the Housing Opportunity Grant Program (HOP) and financial coaching. The financial coaching language is intended to signal to all stakeholders that funding for financial coaching will continue regardless of the Vermont Matched Savings Program planned sunset in FY 2023.

Sec. E.326 DEPARTMENT FOR CHILDREN AND FAMILIES – OFFICE OF ECONOMIC OPPORTUNITY – WEATHERIZATION ASSISTANCE

(a) Of the Special Fund appropriation in Sec. B.326 of this act, \$750,000 is for the replacement and repair of home heating equipment.

EXPLANATION: Annual language to authorize spending on the replacement and repair of home heating equipment.

Sec. E.327 CHILD CARE FACILITIES FINANCING PROGRAM

33 V.S.A. § 3521 (Child Care Facilities Financing Program established) is repealed.

EXPLANATION: The language is statute clean up. The Child Care Facilities Financing Program is administered outside of state government and has not been administered by DCF for a number of years.

Sec. E.329 DEVELOPMENTAL DISABILITIES; ANNUAL REPORT

18 V.S.A. § 8725 (System of care plan) is amended to read:

- (e) Notwithstanding 2 V.S.A. § 20(d), on or before ~~January~~ February 15 of each year, the Department shall report to the Governor and the committees of jurisdiction regarding implementation of the plan, the extent to which the principles of service set forth in section 8724 of this title are achieved, and whether people with a developmental disability have any unmet service needs, including the number of people on waiting lists for developmental services.

EXPLANATION: This language extends the deadline for the annual Developmental Disabilities legislative report by one month, which will allow DAIL adequate time for proper data collection, analysis, and review. DAIL has routinely requested an extension for this report given data collection constraints with the current timeline.

Sec. E.330 INTERPRETERS

1 V.S.A. § 331 (Definitions) is amended to read:

- (1) "Person who is ~~dDeaf, or hHard of hHearing, or DeafBlind~~" means any person who has such difficulty hearing, even with amplification, that he or she cannot rely on hearing for communication.
- (2) "Proceeding" means any judicial proceeding, contested case under 3 V.S.A. chapter 25, or other hearing before an administrative agency not included under 3 V.S.A. chapter 25.
- (3) "Qualified interpreter" means an interpreter for a person who is ~~dDeaf, or hHard of hHearing, or DeafBlind~~ who meets standards of competency established by the national or Vermont Registry of Interpreters for the Deaf ~~as amended, by rule, by the Vermont Commission of the Deaf and Hard of Hearing.~~

EXPLANATION: This language removes reference to the Commission of the Deaf and Hard of Hearing, which no longer exists. Language corrects deaf or hard of hearing to Deaf, Hard of Hearing, or DeafBlind.

Sec. E.330.1 INTERPRETERS

1 V.S.A. § 332 (Right to interpreter; assistive listening equipment) is amended to read:

- (a) Any person who is ~~dDeaf, or hHard of hHearing, or DeafBlind~~ who is a party or witness in any proceeding shall be entitled to be provided with a qualified interpreter for the duration of the person's participation in the proceeding.
- (b) Any person who is ~~dDeaf, or hHard of hHearing, or DeafBlind~~ shall be entitled to be provided with a qualified interpreter upon five working days' notice that the person has reasonable need to do any of the following:

- (c) If a person who is ~~dDeaf, or hHard of hHearing, or DeafBlind~~ is unable to use or understand sign language, the presiding officer or State board or agency or State legislative official shall, upon five working days' notice, make available appropriate assistive listening equipment for use during the proceeding or activity.

EXPLANATION: Language corrects deaf or hard of hearing to Deaf, Hard of Hearing, or DeafBlind.

Sec. E.330.2 INTERPRETERS

1 V.S.A. § 333 (Appointment of interpreter) is amended to read:

- (a) The presiding officer in a proceeding shall appoint an interpreter after making a preliminary determination that the interpreter is able to readily communicate with the person who is ~~d~~Deaf, ~~or~~ ~~h~~Hard of ~~h~~Hearing, or DeafBlind, to accurately interpret statements or communications from the person who is ~~d~~Deaf, ~~or~~ ~~h~~Hard of ~~h~~Hearing, or DeafBlind, and to interpret the proceedings to the person who is ~~d~~Deaf, ~~or~~ ~~h~~Hard of ~~h~~Hearing, or DeafBlind.

EXPLANATION: Language corrects deaf or hard of hearing to Deaf, Hard of Hearing, or DeafBlind.

Sec. E.330.3 INTERPRETERS

1 V.S.A. § 336 (Rules; information; list of interpreters) is amended to read:

- (a) ~~The Vermont Commission of the Deaf and Hard of Hearing State of Vermont shall, by rule, establish factors to be considered by the presiding officer under section 333 of this title before appointing an interpreter who is not a qualified interpreter. Such factors shall encourage the widest availability of interpreters in Vermont while at the same time ensuring maintain a contract to operate a statewide Sign Language Interpreter Referral Service to provide services to all Vermonters in need of sign language interpreters, which shall ensure that the interpreter:~~
- (1) is able to communicate readily with the person who is ~~d~~Deaf, ~~or~~ ~~h~~Hard of ~~h~~Hearing, or DeafBlind;
 - (2) is able to interpret accurately statements or communications by the person who is ~~d~~Deaf, ~~or~~ ~~h~~Hard of ~~h~~Hearing, or DeafBlind;
 - (3) is able to interpret the proceedings to the person who is ~~d~~Deaf, ~~or~~ ~~h~~Hard of ~~h~~Hearing, or DeafBlind;
 - (4) shall maintain confidentiality;
 - (5) shall be impartial with respect to the outcome of the proceeding;
 - (6) shall not exert any influence over the person who is ~~d~~Deaf, ~~or~~ ~~h~~Hard of ~~h~~Hearing, or DeafBlind; and
 - (7) shall not accept assignments the interpreter does not feel competent to handle.
- (b) ~~Rules established by the Vermont Commission of the Deaf and Hard of Hearing pursuant to subdivision 331(3) of this title amending the standards of competency established by the national or Vermont Registry of the Deaf shall be limited to the factors set forth in subsection (a) of this section.~~
- (c) ~~The Vermont Commission of the Deaf and Hard of Hearing shall prepare an explanation of the provisions of this subchapter which shall be distributed to all State agencies and courts.~~
- (d) ~~The Department of Disabilities, Aging, and Independent Living State of Vermont, through a statewide contract, shall maintain a list of access to qualified interpreters in Vermont and, where such information is available, in surrounding states. The list shall be distributed Access to qualified interpreters shall be available to all State agencies and courts.~~

EXPLANATION: This language removes reference to the Commission of the Deaf and Hard of Hearing, which no longer exists and instead references the statewide Sign Language Interpreter Referral Service contract, currently managed by BGS, which instructs a contractor to maintain a comprehensive list of sign language interpreters who are certified by the National Registry of Interpreters for the Deaf and are based in Vermont and surrounding states. Language corrects deaf or hard of hearing to Deaf, Hard of Hearing, or DeafBlind.

Sec. E.330.4 INTERPRETERS

1 V.S.A. § 337 (Review) is amended to read:

- (a) A decision, order, or judgment of a court or administrative agency may be reversed on appeal if the court or agency finds that a person who is ~~d~~Deaf, ~~or h~~Hard of ~~h~~Hearing, or DeafBlind who was a party or a witness in the proceeding was deprived of an opportunity to communicate effectively, and that the deprivation was prejudicial.

EXPLANATION: Language corrects deaf or hard of hearing to Deaf, Hard of Hearing, or DeafBlind.

Sec. E.330.5 INTERPRETERS

1 V.S.A. § 338 (Admissions; confessions) is amended to read:

- (a) An admission or confession by a person who is ~~d~~Deaf, ~~or h~~Hard of ~~h~~Hearing, or DeafBlind made to a law enforcement officer or any other person having a prosecutorial function may only be used against the person in a criminal proceeding if:

- (b) The provisions of subsection (a) of this section supplement the constitutional rights of the person who is ~~d~~Deaf, ~~or h~~Hard of ~~h~~Hearing, or DeafBlind.

EXPLANATION: Language corrects deaf or hard of hearing to Deaf, Hard of Hearing, or DeafBlind.

Sec. E.330.6 INTERPRETERS

1 V.S.A. § 339 (Communications made to interpreters; prohibition on disclosure) is amended to read:

- (a) An interpreter, whether or not the interpreter is a qualified interpreter, shall not disclose or testify to:
- (1) a communication made by a person to an interpreter acting in his or her capacity as an interpreter for a person who is ~~d~~Deaf, ~~or h~~Hard of ~~h~~Hearing, or DeafBlind or a person with limited English proficiency; or
 - (2) any information obtained by the interpreter while acting in his or her capacity as an interpreter for a person who is ~~d~~Deaf, ~~or h~~Hard of ~~h~~Hearing, or DeafBlind or a person with limited English proficiency.
- (b) There is no prohibition on disclosure under this section if the services of the interpreter were sought or obtained to enable or aid anyone to commit or plan to commit what the person who is ~~d~~Deaf, ~~or h~~Hard of ~~h~~Hearing, or DeafBlind or the person with limited English proficiency knew or reasonably should have known to be a crime or fraud.

EXPLANATION: Language corrects deaf or hard of hearing to Deaf, Hard of Hearing, or DeafBlind.

Sec. E.335 CORRECTIONS OUT OF STATE BEDS APPROPRIATION; UNEXPENDED FUNDS CARRY FORWARD TO JUSTICE REINVESTMENT II APPROPRIATION; REPORT

- (a) In FY 2024, any unexpended funds for the Department of Corrections out of-state beds appropriation will be carried forward to FY 2025, and the amount reported to the Joint Legislative Justice Oversight Committee in September 2024, to provide funding for justice reinvestment related programs. Funds may only be expended on justice reinvestment related programs upon approval of the Joint Legislative Justice Oversight Committee. The House Committees on Appropriations and on Corrections and Institutions and the Senate Committees on Appropriations and on Judiciary will be notified of any proposed expenditures on justice reinvestment related programs.
- (b) Any funds authorized to be used on justice reinvestment related programs pursuant to subsection (a) may be spent over multiple fiscal years until fully expended.

EXPLANATION: Annual language which clarifies that anticipated carried forward funds from FY 2024 to FY 2025, anticipated to be moved from Out of State Beds to Justice Reinvestment II in the FY 2025 budget adjustment, may be spent over multiple fiscal years and more accurately defines legislative intent for use of funds on justice reinvestment programs. Historical subsection (a) from prior budget bills is no longer needed by the department.

Sec. E.337 COMMUNITY HIGH SCHOOL OF VERMONT; FUNDING

16 V.S.A. § 4025 (Education Fund) is amended to read:

(c) Monies in the Education Fund shall be used for the following:

- (1) To make payments to school districts and supervisory unions for the support of education in accordance with the provisions of section 4028 of this title, other provisions of this chapter, the provisions of 32 V.S.A. chapter 135, and to provide funding for the Community High School of Vermont and the Flexible Pathways Initiative established by section 941 of this title, but excluding adult education and literacy programs under section 945 of this title.

EXPLANATION: Reestablishes the use of the Education Fund for the Community High School of Vermont.

Sec. E.338 CORRECTIONS - CORRECTIONAL SERVICES

(a) Notwithstanding 32 V.S.A. § 3709(a), the special funds appropriation of \$152,000 for the supplemental facility payments to Newport and Springfield will be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

EXPLANATION: This language provides DOC with specific funding from the PILOT fund for payments to municipalities.

Sec. E.338.1 HOME DETENTION PROGRAM; REPEAL

13 V.S.A. § 7554b (Home detention program) is repealed.

EXPLANATION: Funding for the Home Detention Program was eliminated in the FY 2021 budget however statute dictating the program's existence was never repealed. There are currently 13 people in this program, all of whom are eligible for other similar statuses in the community. DOC recommends repeal of this program.

Sec. E.338.2 ELIGIBLE MISDEMEANOR; COMMUNITY SUPERVISION FURLOUGH

28 V.S.A. § 808d (Definition; eligible misdemeanor) is repealed.

EXPLANATION: 28 V.S.A. § 808d is defunct language directly tied to 28 V.S.A. § 808c which was repealed in 2020 Act 148.

Sec. E.338.3 ABSCONDING; COMMUNITY SUPERVISION FURLOUGH

28 V.S.A. § 808e (Absconding from furlough; warrant) is amended to read:

- (a) The Commissioner of Corrections may issue a warrant for the arrest of a person who has absconded from furlough status in violation of subsection 808(a), or section 723 or 808a, ~~808b, or 808e~~ of this title, requiring the person to be returned to a correctional facility. A law enforcement officer who is provided with a warrant issued pursuant to this section shall execute the warrant and return the person who has absconded from furlough to the Department of Corrections.

EXPLANATION: This language is a technical correction to the absconding from furlough statute. 2020 Act 148, an act which revised the community supervision furlough statutes, neglected to include reference to section 723 in 28 V.S.A. § 808e; in the absence of this inclusion, the Commissioner of Corrections is not able to issue a warrant for those who abscond from community supervision furlough. Sections 808b and 808c are also being struck from 28 V.S.A. § 808e because these sections were repealed in 2020 Act 148.

Sec. E.500 EDUCATION – FINANCE AND ADMINISTRATION

(a) The Global Commitment funds appropriated in this section will be used for physician claims for determining medical necessity of Individualized Education Programs (IEPs). These services are intended to increase access to quality health care for uninsured persons, underinsured persons, and Medicaid beneficiaries.

EXPLANATION: Annual language to ensure Global Commitment funds will be used for appropriate Global Commitment purposes. This language reflects allowable uses under the new 1115 Global Commitment Waiver.

Sec. E.500.1 Universal Afterschool and Summer

- (a) Pursuant to Act 164 of 2020 which dedicates the cannabis sales tax revenue to support grant programs for the expansion of summer and afterschool programs, with an emphasis on increasing access in underserved areas of the State, a Universal Afterschool and Summer Special Fund is created, to be managed by the Secretary of Education. The cannabis sales tax revenue will be

transferred to the Universal Afterschool and Summer Special Fund. The Secretary will use the assets in the Fund as follows:

1. To set up programs to support the expansion of universal afterschool and summer programs with a focus on underserved areas of the state.
 2. Grants. Cannabis sales tax revenue will be used to support a mixed delivery system for afterschool and summer programming. Eligible recipients can be public, private, or non-profit organizations.
 - a. Grants may be used for technical assistance, program implementation, program expansion, program sustainability, and related costs.
 - b. Funds may be used to directly target communities with low existing capacity to serve youth in afterschool and summer settings.
 - c. The Agency may use up to \$500,000 for administrative costs to allow for the support of the grant program and technical assistance to communities. This could include subcontracts to support the grant program.
- (b) Advisory Committee. An Advisory Committee is created to support the Secretary of Education in administering the funds. The Agency will provide administrative and technical support to the Committee. The Committee is to be comprised of:
1. State's Chief Prevention Officer
 2. DCF Commissioner or designee
 3. VDH Commissioner or designee
 4. DMH Commissioner or designee
 5. ANR Secretary or designee
 6. ACCD Secretary or designee
 7. Vermont Afterschool Executive Director or Designee
 8. A Representative from the Governor's Office

EXPLANATION: Creates a special fund to be financed with cannabis sales tax receipts that the Secretary of Education will grant to underserved areas of the state for afterschool and summer programs.

Sec. E.500.2 2020 Act 164 Section 17d is amended to read:

On or before November 15, 2021, and on or before each subsequent November 15, the Agency of Education shall submit to the General Assembly a plan to fund grants in furtherance of the purposes of Sec. 17c of this act, and report outcomes data on the grants made during the previous year. The Agency will also report on the number of programs, slots, weeks or hours, geographic distribution, and what is known about costs to families. The report should be inclusive of 21C programming. The grants shall be in an amount equal to the official forecasted revenues to be raised from the sales and use tax imposed by 32 V.S.A. chapter 233 on cannabis or cannabis products in this State. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the plan to be made under this subsection.

EXPLANATION: Amends current reporting requirements to include actual prior year results and additional statistics.

Sec. E.502 EDUCATION – SPECIAL EDUCATION: FORMULA GRANTS

(a) Of the appropriation authorized in section B.502 of this act, and notwithstanding any other provision of law, an amount not to exceed \$4,195,600 will be used by the Agency of Education in FY 2024 as funding for 16 V.S.A. § 2967(b)(2)–(6). In distributing such funds, the Secretary will not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

EXPLANATION: The language establishes how much of the special education funding formula will be used for 16 V.S.A. Sec 2967(b)(2)-(6).

Sec. E.503 EDUCATION – STATE-PLACED STUDENTS

(a) The Independence Place Program of the Lund Family Center will be considered a 24-hour residential program for the purposes of reimbursement of education costs.

EXPLANATION: Annual language.

Sec. E.504 EDUCATION – FLEXIBLE PATHWAYS

(a) Of the appropriation in Sec. B.504 of this act, \$1,900,000 from the Education Fund will be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 943(c).

(b) Notwithstanding 16 V.S.A. § 4025(b), of this Education Fund appropriation, the amount of:

(1) \$921,500 is available for dual enrollment programs notwithstanding 16 V.S.A. § 944(f)(2);

(2) \$2,000,000 is available to support the Vermont Virtual High School;

(3) \$400,000 is available for secondary school reform grants; and

(4) \$3,400,000 is available for Early College pursuant to 16 V.S.A. § 4011(e).

(5) \$600,000 is available for the Vermont Academy of Science and Technology

(c) Of the appropriation in Sec. B.504 of this act, \$921,500 from the General Fund is available for dual enrollment programs.

EXPLANATION: Annual language ensures education funds are paid directly to school districts to fund the high school completion program, to help fund the dual enrollment program created in 16 V.S.A. Sec 944, and to support distance learning in Vermont schools.

Sec. E.514 STATE TEACHERS’ RETIREMENT SYSTEM

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the State Teachers’ Retirement System (STRS) will be \$194,281,051 of which \$184,811,051 will be the State’s contribution and \$9,470,000 will be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$34,825,673 is the “normal contribution,” and \$159,455,378 is the “accrued liability contribution.”

EXPLANATION: Annual language. Allows the normal contribution to be funded with Education funds. The \$9,470,000 local contribution mentioned in subsection (a) reduces the Education Fund component of the normal contribution by \$1,697,536 and the General Fund component of the accrued liability contribution by \$7,772,464.

Sec. E.515 RETIRED TEACHERS' HEALTH CARE AND MEDICAL BENEFITS

(a) In accordance with 16 V.S.A. § 1944b(b)(2), and 16 V.S.A. § 1944b(h)(1), the annual contribution to the Retired Teachers' Health and Medical Benefits plan will be \$61,290,528, of which \$53,740,528 will be the State's contribution and \$7,550,000 will be from the annual charge for teacher health care contributed by employers pursuant to 16 V.S.A. §1944d. Of the annual contribution, \$17,589,046 is the "normal contribution," and \$43,701,482 is the "accrued liability contribution."

EXPLANATION: Standard annual language updated to reflect RTHMB pre-funding per 2022 Act 114. Allows the normal contribution to be funded with Education funds. The \$7,550,000 new teacher health care annual charge contribution reduces the Education Fund component of the normal contribution by \$2,166,685 and the General Fund component of the accrued liability contribution by \$5,383,315.

Sec. E.600 UNIVERSITY OF VERMONT

(a) The Commissioner of Finance and Management will issue warrants to pay 1/12 of the appropriation in Sec. B.600 of this act to the University of Vermont on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$380,326 will be transferred to the Experimental Program to Stimulate Competitive Research (EPSCoR) to comply with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

EXPLANATION: Standard annual language

Sec. E.602 VERMONT STATE COLLEGES

(a) The Commissioner of Finance and Management will issue warrants to pay 1/12 of the appropriation in Sec. B.602 of this act to the Vermont State Colleges on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$427,898 will be transferred to the Vermont Manufacturing Extension Center to comply with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

EXPLANATION: Standard annual language

Sec. E.602.1 VERMONT STATE COLLEGES

(a) For the appropriation in B.1100(a)(3)(B), those programs eligible for the 50% tuition reduction will be determined annually in consultation with the Commissioner of the Vermont Department of Labor, the Secretary of Commerce and Community Development, and the Executive Director of the State Workforce Development Board. Community Colleges of Vermont ("CCV") will report annually on December 15th to the Governor and General Assembly on enrollment, and degree or certificate completion, in programs that receive 50 percent tuition reduction, including any enrollment or graduation growth trends as compared to the previous five years.

EXPLANATION: CCV 50% tuition reduction program parameters

Sec. E.603 VERMONT STATE COLLEGES – ALLIED HEALTH

(a) If Global Commitment fund monies are unavailable, the total grant funding for the Vermont State Colleges will be maintained through the General Fund or other State funding sources.

(b) The Vermont State Colleges will use the Global Commitment funds appropriated in Sec. B.603 of this act to support the dental hygiene, respiratory therapy, and nursing programs that graduate approximately 315 health care providers annually. These graduates deliver direct, high-quality health care services to Medicaid beneficiaries or uninsured or underinsured persons.

EXPLANATION: Standard annual language

Sec. E.605 VERMONT STUDENT ASSISTANCE CORPORATION

(a) Of the appropriation in Sec. B.605 of this act, \$25,000 is appropriated from the General Fund to the Vermont Student Assistance Corporation (VSAC) to be deposited into the Trust Fund established in 16 V.S.A. § 2845.

(b) Of the appropriated amount remaining after accounting for subsection (a) of this section, not less than 93 percent of this appropriation will be used for direct student aid.

(c) To the extent other funding is provided to VSAC in this act or other legislation enacted into law this year, up to six percent, but not to exceed \$100,000, may be used for staff expenses associated with administering the funds. Funds will not be used for indirect costs. To the extent these are federal funds, allocation for expenses associated with administering the funds will be consistent with federal grant requirements.

(d) \$1,000,000 of the General Fund appropriation in Sec. B.605 of this act will be used to continue operating the Vermont Trades Scholarship Program in accordance with 2022 Act 183 Section 14.

EXPLANATION: Standard annual language with a section added to continue the Vermont Trades Scholarship Program.

Sec. E.605.1 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS

(a) Notwithstanding 16 V.S.A. § 4025(b), the sum of \$41,225 in education funds and \$41,225 in general funds is appropriated to the Vermont Student Assistance Corporation (VSAC) for dual enrollment and need-based stipend purposes to fund a flat-rate, need-based stipend or voucher program for financially needy students enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early college pursuant to 16 V.S.A. § 946 to be used for the purchase of books, cost of transportation, and payment of fees. VSAC will establish the criteria for program eligibility. Funds will be granted to eligible students on a first-come, first-served basis until funds are depleted.

(b) VSAC will report on the program to the House Committees on Appropriations and on Commerce and Economic Development and to the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs on or before January 15, 2024.

EXPLANATION: Standard annual language

Sec. E.700 CLEAN HEAT HOMES PROGRAM

(a) Purpose. The purpose of the Clean Heat Homes Program is to provide incentives for weatherization, clean heat systems, and electrification ready upgrades for low- and medium-income Vermonters. The Program will be focused on underserved households not eligible for the Weatherization Assistance Program operated by DCF-OEO but earning less than 120% of Area Median Income.

(b) The Agency of Natural Resources will grant \$5,000,000 to the Vermont Energy Investment Corporation (VEIC) to administer the program. VEIC will:

(1) Identify and conduct outreach to eligible households;

(2) Serve as a single point of contact to help identify, coordinate, and provide incentive funding to support “whole home climate upgrades” including:

(A) thermal energy efficiency and moisture management improvements,

(B) fossil fuel heating system displacement options, and

(C) panel and wiring improvements necessary to support modern electric technologies, such as cold climate heat pumps, heat pump water heaters, batteries, and EV charging.

(3) coordinate with distribution utilities and other weatherization and energy efficiency providers to ensure program funds are used to compliment and leverage other existing incentives.

EXPLANATION: Codifies the creation of the Clean Heat Homes Program to which funds are appropriated in Section B.1100(a)(21)(C) of this Act.

Sec. E.900 TRANSPORTATION FUND RESERVE – REVERSIONS EXCLUDED

To calculate the FY 2024 Transportation Fund Stabilization Reserve requirement of 5% of prior year appropriations, reversions of \$24,227,011 are excluded from the FY 2023 total appropriations amount.

EXPLANATION: Session law language needed for the exclusion of Transportation Fund reversions from the total appropriations amount used for the calculation of the 5% Stabilization Reserve amount. Reversions anticipated for the FY 23 year-end close are not included in this exclusion language because the exact amount will be determined at fiscal year-end and is not certain at this time.

Sec. E.1000 CAPITAL EXPENDITURE CASH FUND 32 V.S.A. §1001b is amended to read:

§ 1001b. CAPITAL EXPENDITURE CASH FUND

(a) Creation. The Capital Expenditure Cash Fund is created to be administered by the Commissioner of Finance and Management, in consultation with the State Treasurer, for the purpose of using general funds to defray the costs of future capital expenditures that would otherwise be paid for using the State’s general obligation bonding authority and debt service obligations.

(b) Fund. The Fund may consist of:

(1) any appropriations or transfers made by the General Assembly; ~~and~~

(A) Annually, the State’s appropriations act will provide a net transfer from the General Fund to the Capital Expenditure Cash Fund. This amount will be equal to 4% of the last completed fiscal year’s

General Fund appropriations, less the amount determined by the State Treasurer and the Commissioner of Finance & Management as necessary to fund the State's General Fund-backed general obligation debt service in the year for which the transfer is being made. If the amount of General Fund-backed general obligation debt service exceeds 4% of the last completed fiscal year's General Fund appropriations, no transfer will be made in that budget year.

(2) any interest earned by the Fund.

(c) Use of funds. Expenditure shall only be made from the fund by appropriations by the General Assembly. Plans for use shall be submitted as part of the ~~operating capital~~ budget adjustment or ~~operating capital~~ budget process. Monies in the Fund shall only be used for:

(1) costs associated with a proposed capital project that occur prior to the construction phase of that project, including feasibility, planning, design, and engineering and architectural costs;

(2) projects with an anticipated lifespan of less than 20 years;

(3) costs associated with the ~~early~~ redemption of general obligation bonds and other State tax supported debt; and

(4) other eligible capital projects receiving an appropriation from the General Assembly.

(d) Fund balance. All balances in the Fund at the end of any fiscal year shall be carried forward and remain part of the Fund.

(e) ~~Early redemption transfer. If any expenditures are made from the Fund or the General Assembly appropriates general funds to pay for the early redemption of general obligation bonds pursuant to subdivision (c)(3) of this section, then an amount equal to the reduction in debt service required in any fiscal year resulting from that redemption shall be transferred to the Fund.~~

EXPLANATION: Statutory amendments to codify the Administration's proposed long-term funding mechanism for the Capital Expenditure Cash Fund, as detailed in a report to be submitted to the House and Senate Committees on Appropriations, the House Committee on Corrections and Institutions, and the Senate Committee on Institutions.

Sec. E.1000.1 2022 Acts and Resolves No. 83 Section 53(b)(5), as amended by 2022 Acts and Resolves No. 185, Section C.102, is further amended to read:

(B) \$20,000,000 shall be appropriated to the State Treasurer's Office and used for redeeming State of Vermont general obligation bonds prior to maturity. ~~Notwithstanding 32 V.S.A. §1001b(e), beginning in fiscal year 2024, to the extent bonds are redeemed, an amount equal to the reduction in payments for debt service required resulting from any redemption shall be transferred and reserved in the Capital Expenditure Cash Fund, as establish in 32 V.S.A. §1001b created in Sec. E. 106.1 of H.740 of 2022.~~

EXPLANATION:

Aligns session law in Acts 83 and 185 with statutory amendments proposed in Sec. E.1000(a) of this act. To the extent the \$20,000,000 appropriation made in Act 185 Sec. C.102(b)(5)(B) results in State general obligation debt service savings, these savings will result in transfers to the Capital Expenditure Cash Fund under the 4% GF transfer construct described in Section E.1000 of this act.