

1 H.702

2 Representative McCarthy of St. Albans City moves that the bill be amended
3 by adding a reader assistance heading and two new sections to be Secs. 6a and
4 6b to read as follows:

5 * * * State-Funded Grants Review * * *

6 Sec. 6a. WORKING GROUP ON STATE GRANT PROCESSES

7 (a) Creation. There is created the Working Group on State Grant Processes
8 for the purpose of assessing the State’s current grant awarding procedures.

9 (b) Membership. The Working Group shall be composed of the following
10 members:

11 (1) the Secretary of Administration or designee;

12 (2) six representatives of nonprofit organizations, selected by Common
13 Good Vermont, with at least one representative being a certified public
14 accountant and at least one representative being a certified financial planner,
15 that within 12 months following July 1, 2024 have received a State-funded
16 grant, as follows:

17 (A) two representatives from human service organizations;

18 (B) one representative from an arts, culture, or humanities
19 organization; an environmental organization; or a recreational organization;

20 (C) one representative from an education organization, excluding
21 higher education;

1 (D) one representative from a nonprofit agency that provides mental
2 health care; and

3 (E) one representative from Common Good Vermont.

4 (3) one representative from a Vermont United Way organization,
5 appointed by the Executive Director of the United Way of Vermont;

6 (4) two current members of the House of Representatives, who shall be
7 appointed by the Speaker of the House;

8 (5) two current members of the Senate, who shall be appointed by the
9 Committee on Committees;

10 (6) one representative of the Department of Finance and Management,
11 appointed by the Governor; and

12 (7) one member, appointed by the Vermont League of Cities and Towns.

13 (c) Meetings.

14 (1) The Secretary of Administration or designee shall call the first
15 meeting of the Working Group to occur on or before September 1, 2024.

16 (2) The Working Group shall select a chair from among its members at
17 the first meeting.

18 (3) A majority of the membership shall constitute a quorum.

19 (4) The Working Group shall meet not fewer than eight times.

20 (5) The Chair may establish subcommittees to perform the work set
21 forth in this section.

- 1 (d) Powers and duties. The Working Group shall:
- 2 (1) assess the State’s current grant and contracting funding levels and
3 identify cost of living or other inflationary adjustments;
- 4 (2) assess the impact of bridge loans and lines of credit and identify
5 alternative mechanisms for meeting funding needs;
- 6 (3) assess grant and contracting processes and practices across State
7 agencies and departments and identify uniform best practices;
- 8 (4) determine the specific circumstances under which funding should be
9 reimbursable;
- 10 (5) identify the funding sources that are currently reimbursable but are
11 not required to be and recommend solutions to improve reimbursement
12 practices and processes;
- 13 (6) identify system improvements that would simplify grant application
14 and reporting processes;
- 15 (7) examine ways to ensure consistency between State and federal
16 indirect rates, including:
- 17 (A) implementing a standard indirect rate across all State-funded
18 grants;
- 19 (B) reviewing the process for nonprofit organizations to qualify for
20 an indirect rate above the standard rate; and
- 21 (C) honoring federal indirect rates;

1 (8) analyze the impact of grants being executed more than 30 days after
2 a notice of award is issued;

3 (9) analyze the impact of agencies not paying grantees within 30 days
4 after receiving a written request for payment on a grant; and

5 (10) consider related issues that arise during the course of the Working
6 Group’s duties as set forth in this section.

7 (e) Reporting. The Working Group shall submit a written report to the
8 House Committee on Government Operations and Military Affairs and the
9 Senate Committee on Government Operations with its recommendations based
10 on the analysis conducted pursuant to this section on or before September 1,
11 2025.

12 (f) Compensation and reimbursement.

13 (1) For attendance at meetings during adjournment of the General
14 Assembly, a legislative member of the Working Group serving in the
15 member’s capacity as a legislator shall be entitled to per diem compensation
16 and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than
17 eight meetings.

18 (2) Other members of the Working Group shall be entitled to per diem
19 compensation and reimbursement of expenses as permitted under 32 V.S.A.
20 § 1010 for not more than eight meetings.

1 (3) Payments to members of the Working Group authorized under this
2 subsection shall be made from monies appropriated to the General Assembly.

3 (g) Expiration. The Working Group shall cease to exist on December 31,
4 2025.

5 Sec. 6b. STATE-FUNDED GRANTS; REPORT ON PROMPT

6 EXECUTION AND PAYMENT

7 On or before November 15, 2024, the Agency of Administration, in
8 consultation with the Joint Fiscal Office, shall submit a preliminary written
9 report to the House Committee on Government Operations and Military
10 Affairs and the Senate Committee on Government Operations analyzing and
11 summarizing the fiscal and logistical impacts of requiring State agencies to:

12 (1) execute State-funded grant agreements within 30 days after
13 providing notice of award to a grantee; and

14 (2) promptly pay grantees of State-funded grant agreements within 30
15 days after receipt of a valid written request for payment.