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MEMORANDUM

To: Representative Diane Langher, Chair, House Committee on

Appropriations

From: Representative Michael Marcotte, Chair, House Committee on Commerce

and Economic Development

Date: January 17, 2024

Subject: Addendum to House Commerce recommendations on the FY24 BAA

The House Committee on Commerce and Economic Development thanks the House Committee on Appropriations for the opportunity to comment on provisions of the FY24 Budget Adjustment Act. In response to your request, the Committee reviewed the proposals and have provided additional feedback below.

On a straw vote of 8-0-3, the Committee respectfully submits the following:

Recommended Uses of ARPA SLFRF Monies for Recent Recovery Efforts

The Committee heard testimony from Chief Recovery Officer Doug Farnham on the eligible uses of ARPA SLFRF funds. The Committee learned that there is approximately \$300 million remaining in unobligated ARPA SLFRF funds siloed across various State agencies.

Furthermore, according to the U.S. Department of the Treasury Coronavirus State and Local Fiscal Recovery Funds: Overview of the Interim Final Rule (2023), ARPA SLFRF funds can now explicitly be used to "provide emergency relief from natural disasters or their negative economic impacts."

To that end, and given the catastrophic impacts many Vermont communities have faced in 2023 due to flooding, landslides, and other natural disasters, the House Committee on Commerce and Economic Development recommends that the House Appropriations Committee strongly considers reappropriating some or all of the ARPA SLFRF funds in the FY 24 BAA and in the FY 24-25 budgeting process to the extent that these funds can be utilized for disaster recovery and future mitigation according to U.S. Treasury guidelines.