

**Draft # 23-0643**

**2/8/23**

**1:04 PM**

~~No. XX. An act relating to fiscal year 2023 budget adjustments.~~

H.145

An act relating to fiscal year 2023 budget adjustments

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

[Sec. 1-44 removed]

\* \* \*

**Sec. 45** 2022 Acts and Resolves No. 185, Sec. B.1100 is amended to read:

Sec. B.1100 FISCAL YEAR 2023 ONE-TIME GENERAL FUND

APPROPRIATIONS

(a) In fiscal year 2023, funds are appropriated from the General Fund for new and ongoing initiatives as follows:

\* \* \*

(7) ~~\$2,408,000~~ \$11,608,000 to the Agency of Agriculture, Food and Markets, as follows:

\* \* \*

(H) \$9,200,000 is appropriated from the General Fund to the Agency of Agriculture, Food and Markets. These funds shall be used to make grant payments to organic dairy farmers to partially offset economic losses in calendar year 2022 related to the increased cost of production and stagnant wholesale prices within this period. These funds shall be held in reserve until a plan for equitable disbursement is submitted to and reviewed by the House and Senate Committees on Appropriations; the House Committee on Agriculture, Food Resiliency, and Forestry; and the Senate Committee on Agriculture. The Agency shall develop the plan in collaboration with appropriate representatives of the impacted industry. The plan shall be submitted not later than March 15, 2023 and shall be reviewed by the committees within five day of submission of jurisdiction and enacted into law by the General Assembly prior to implementation.

**HOUSE AGRICULTURE EXPLANATION:** The one-time \$9.2 million allocation would be used to provide organic dairy farmers with an assistance payment of \$5.00 per hundred weight of milk shipped in calendar year 2022. This funding will not alleviate all of the economic issues facing organic dairy farms. However, it will allow for a much-needed bridge to summer production and new market conditions with the adoption of new federal rules that are expected to raise organic milk prices. Without this funding or similar assistance, Vermont could lose a substantial percentage of its organic dairy farms.

\* \* \*

(18) ~~\$1,500,000~~\$3,600,000 to the Department of Disabilities, Aging, and Independent Living (DAIL) to be used for grants to adult day service providers as specified in the following subsections ~~to support operating costs and program infrastructure. It is the intent as specified in subdivisions (A) and (B) of the General Assembly that these funds be the last pandemic bridge funding provided to Adult Day service providers~~ this subdivision. To the extent that the current service provision model is projected to remain economically unsustainable in fiscal year 2024 resulting in the closure of Adult Day adult day programs, the Adult Day adult day providers in collaboration with AHS, DAIL and other relevant health care and social service community

organizations shall report as soon as possible to the House and Senate Committees on Appropriations on such closures. The report shall include any recommended alternative local service provision arrangements or models that could be reasonably implemented to meet or partially meet the needs of impacted populations caused by program closures.

(A) \$1,500,000~~The funds~~ shall be allocated on an equitable basis per a methodology developed by DAIL. On or before the first day of each quarter of fiscal year 2023 (July 1, 2022, October 1, 2022, January 1, 2023, and April 1, 2023), the Vermont Association of Adult Day Services shall provide a spreadsheet to the Department detailing quarterly expenditures versus the annual budget. DAIL shall work with community partners to seek organizations interested in opening an adult day center in the underserved regions where adult day centers closed during the COVID-19 pandemic. Up to \$50,000 of these funds may be used to support the start-up costs of a new adult day center. Any amount of this appropriation remaining at the end of fiscal year 2023 shall be carried forward and shall be used to support operating costs, and program infrastructure.

(B) \$2,100,000 for grants to existing adult day service providers to maintain the existing program infrastructure through fiscal year 2023. Subsequent to the enactment of this provision, the Vermont Association of Adult Day Services shall provide a spreadsheet to the Department detailing the amount of grants to be distributed to each ~~Adult Day~~ adult day Program for the remainder of fiscal year 2023.

**HOUSE HUMAN SERVICES EXPLANATION: One-time appropriation of \$2.1 million to the State's adult day providers to ensure they remain open for the remainder of the fiscal year and to increase participation throughout the State. A report is due February 15, 2023 to address an improved method to pay for this service. It is important to note that five programs have closed.**

\* \* \*

~~(24) \$3,000,000 to the Secretary of Administration to implement the Rural Infrastructure Assistance Program created in Sec. E.100.4 of this act. These funds shall be held in reserve until a plan for disbursement is submitted to and reviewed by the House and Senate Committees on Appropriations; the House Committee on Commerce; the House and Senate Committees on Government Operations; and the Senate Committee on Economic Development. The Agency shall develop the plan in collaboration with appropriate stakeholders. The plan shall be submitted no later than March 15, 2023 and shall be reviewed by the committees within five days of submission.~~(24) \$3,000,000 to the Secretary of Administration to provide funding for municipal technical assistance and related services pursuant to Sec. 87a of this act.

EXPLANATION: The administration proposes \$3M to provide Vermont's rural communities with technical assistance in applying for and utilizing available ARPA funds. Reserve language added.

(25) \$3,345,000 to the Secretary of Administration to be used as the 10%~~percent~~ State match required for FEMA COVID funds starting on July 01, 2022.

EXPLANATION: FEMA COVID funding had previously been 100% federal funds. As of July 01, 2022, FEMA requires a 10% match for all eligible expenditures. The most recent estimate of need is \$3.345M.

(26) \$1,734,000 to the Agency of Digital Services to be used as state match for a ~~USU.S.~~ Geological Survey (USGS) Light Detection and Ranging (LIDAR) grant.

EXPLANATION: Approximately every 8 years the USGS offers cooperative agreement opportunities for states to update their imagery and account for changes in landscape. This grant will support the state's LIDAR program which is essential to updating and maintaining the state's tax mapping efforts.

(27) \$1,115,000 to the Military Department to be used as state match for the federal Facilities Sustainment, Restoration and Modernization (SRM) funds eligible for receipt in federal fiscal year 2023.

EXPLANATION: The Vermont National Guard received approval for \$8.522M in Sustainment, Restoration and Modernization (SRM) funds for state armories across two federal fiscal years: \$5.182M for FFY2022 requiring \$1.68M of State match, and \$3.340 for FFY2023 requiring \$1.115M of State match. While funding was secured to achieve execution of the FFY22 projects, the Department requests \$1.115M of General Fund required to provide state match for all FFY23 projects in direct support of the Vermont Army National Guard.

(28) \$30,000,000 to the Public Service Department to be used as state match for the National Telecommunications and Information Administration (NTIA) broadband grant (Middle Mile).

EXPLANATION: \$30M represents the State match toward the \$114,164,581 NTIA grant application submitted on 9/30/22. Anticipated federal receipts are \$67,445,239 with additional cash and in-kind match provided by all VT fiber optic networks benefiting from the Middle Mile infrastructure (FirstLight, ECFiber and NEK Broadband). If received, monies will be used to expand access to reliable, high-speed, and affordable broadband throughout Vermont.

(29) \$350,000 to the State Refugee Resettlement Office, located within the Agency of Human Services Central Office, to implement Employment Assistance Grants for New Americans created in Section E.300.2 of this Act. Funds remaining at the end of fiscal year 2025 shall revert to the General Fund.

EXPLANATION: These funds will provide financial assistance to organizations engaged in developing community-based systems of support for New Americans.

(30) \$9,225,000 to the Department of Mental Health ~~to (DMH) continue construction of the Southwest Vermont Medical Center (SVMC) Youth Inpatient Facility~~ to increase the number of psychiatric youth inpatient beds in the State. These funds shall be reserved until a feasibility

study is completed to site a psychiatric youth inpatient facility as specified in a bidder proposal submitted in response to the Request for Proposal (RFP) issued by the DMH on January 28, 2022.

(A) DMH shall submit a report on or before April 15, 2023, to the House and Senate Committees on Appropriations, the House Committee on Health Care and the Senate Committee on Health and Welfare outlining the findings of the feasibility study. In the event this proposal is not feasible, DMH shall report on alternate plans to move forward with increasing the number of psychiatric youth inpatient beds in the State, which may include the issuance of a new request for proposal.

**EXPLANATION:** Funds will be used to complete construction of the facility. Language added to require a report and remove mention of SVMC, in the case that SVMC is unable to house the facility.

(31) \$3,000,000 to the Department for Children and Families Office of Economic Opportunity for the CARES Housing Voucher Program.

**EXPLANATION:** Replicates the CARES Housing Voucher Program to re-house families experiencing homelessness by providing bridge funds for temporary rental assistance for families not on Reach Up. This program was previously 100% federally funded and this appropriation continues these services.

(32) \$5,000,000 to the Department of Housing and Community Development as additional support for the Vermont Housing Improvement Program (VHIP).

**EXPLANATION:** Additional funding to support grants up to \$50K per unit for repairs needed to bring vacant rental units up to Vermont Rental Housing Health Code guidelines, add new units to an existing building, or create an accessory dwelling unit on an owner-occupied property.

(33) \$350,000 is appropriated to the Agency of Commerce and Community Development in fiscal year 2023 to provide state match for the Northeast Kingdom Build to Scale proposal to be submitted to the U.S. Economic Development Administration for federal funding.

HOUSE COMMERCE & ECONOMIC DEVELOPMENT EXPLANATION: \$350,000 to the Agency of Commerce and Community Development to provide a portion of the state match to allow the Northeastern Vermont Development Association and its partner, Do North Coworking, to apply for the 2023 Build to Scale Venture Challenge through the U.S. Economic Development Administration. If the application is successful, the funds would provide a capacity building opportunity to support the creation of scalable technology startups and high-paying technology jobs in the Northeast Kingdom. Due to the timing of the application deadline, which is likely to be in early April this year as it was in 2022, the \$350,000 appropriation cannot wait for the fiscal year 2024 budget bill and must be addressed in the fiscal year 2023 budget adjustment act.

(34) \$20,924,710 to the Department for Children and Families to extend the General Assistance ~~emergency housing~~ Temporary Housing program to the end of fiscal year 2023.

(A) \$13,424,710 to the Department for Children and Families to extend the General Assistance Temporary Housing program between March 15, 2023 and July 1, 2023, for households that are otherwise eligible for GA housing pursuant to section 2652.3 of DCF's General Assistance rule (13-170-260) and that have an individual who is either 60 years of age or older, in receipt of SSI or SSDI, or has a child who is 18 years of age or younger shall be eligible for temporary housing independent of maximum nights received or weather forecasts or conditions.

(B) \$7,500,000 to the Department for Children and Families to extend the General Assistance Temporary Housing program between March 15, 2023 and July 1, 2023, for all other households that are otherwise eligible for GA housing pursuant to section 2652.3 of DCF's General Assistance rule (13-170-260) for temporary housing independent of maximum nights received or weather forecasts or conditions.

(35) \$952,000 to the Department of Mental Health to be granted to the Howard Center.

These funds shall be reserved until the following assessment is complete and report submitted.

(A) The Secretary of Human Services shall assess the feasibility of the Howard Center purchasing properties located at 71, 73 and 77 Park Street in Rutland, Vermont for use as a community based residential program for adolescent males with sexually harming behaviors. The feasibility study shall assess the costs and benefits of the purchase and long-term ownership of the property, including any estimated costs for deferred maintenance and renovation, and any costs associated with moving the program to another location. In making this assessment, the Secretary shall seek the assistance of the Commissioners of Buildings and General Services, for Children and Families, and of Mental Health, as well as the Chief Executive Officer of the Howard Center, and any other interested stakeholders, as deemed appropriate by the Secretary.

(B) On or before April 1, 2023, the Secretary shall submit a report with the findings of the study described in ~~subsubdivision (A) of this section~~ subdivision (35) and any recommendations to the House Committees on Appropriations, on Corrections and Institutions, and on Health Care and Human Services; and the Senate Committees on Appropriations, on Health and Welfare, and on Institutions.

**HOUSE HUMAN SERVICES EXPLANATION: \$952,500.00 for the Howard Center's Park Street Program for adolescent male youth with sexually harmful behaviors. The Park Street Program has operated in Rutland for 20 years, and the current landlord is planning to sell the property where the facilities are located. The purchase option for the Howard Center's lease must be acted upon by April 30, 2023. The funds within this proposal include \$584,500.00 for the purchase price as well as \$368,000.00 for deferred maintenance and capital needs. This purchase option would lead the Howard Center to save \$150,000.00 annually in rent payments.**

(36) \$1,550,000 to the Judiciary as follows:

(A) \$750,000 for internal network cabling upgrade.



(B) \$500,000 for courthouses sound system replacement.

(C) \$300,000 for correctional facilities remote hearings improvement.

HOUSE GOVERNMENT OPERATIONS EXPLANATION: The full network replacement is budgeted at \$6.23M and the State Court Administrator projects that it will save the state over \$500k per year over continuing to allocate funds to the Agency of Digital Services for the current network services. We support expediting the three smaller infrastructure items and considering the full network replacement once we have more information: 1) Upgrading internal network cabling (\$750k): We support expediting this request which will fund half of the total budget for this item (\$1.5M) as there is 50% in federal matching funds available and this will improve network reliability at least internally. 2) Vermont Courthouse Sound System Replacement (\$500k): Upgrades to amplifiers and microphones in each of the facilities is critical to the new normal in the courthouses so that everyone participating in person and electronically can be heard. 3) Correctional Facilities Remote Hearing Improvement (\$300k): We support these upgrades for sound proofing, wi-fi and mobile equipment so that proceedings like arraignments can be better accommodated from the correctional facilities without the need for secure transport to a courthouse.

(37) \$50,000,000 to the Vermont Housing Conservation Board (VHCB) to provide affordable mixed-income income rental housing and homeownership units; improvements to manufactured homes and communities; recovery residences and, if determined eligible, housing available to farm workers and refugees. VHCB shall also use the funds for shelter and permanent homes for those experiencing homelessness in consultation with the Secretary of Human Services.

(38) \$1,200,000 to the Department for Children and Families for a grant to the Lund Center for its Residential Treatment program.

HOUSE HUMAN SERVICES EXPLANATION: The Committee believes that preventing the closure of the Lund Center is essential. Therefore, the Committee supports maximizing the number of families served by the Lund Center and closing the funding gap that currently exists until the PNMI adjustment takes effect. This will serve an additional 8–12 individuals currently struggling with substance use disorder and parenting.

(39) \$30,000 to the Department of Health for a grant to the American Heart Association for CPR and First Aid Training kits to facilitate training in schools.

(40) \$100,000 to the Office of the State Treasurer for a study and report required by January 15, 2024 on Other Postemployment Benefits; Governance Structure.

**Sec. 46** 2022 Acts and Resolves No. 185, Sec. B.1101 is added to read:

Sec. B.1101 FISCAL YEAR 2023 ONE-TIME ENVIRONMENTAL

~~CONTINGENCY~~CONTINGENCY FUND APPROPRIATIONS

(a) In fiscal year 2023, funds are appropriated from the Environmental Contingency Fund (21275) for new and ongoing initiatives as follows:

(1) \$3,000,000 to the Department of Environmental Conservation for PFAS remediation.

**EXPLANATION:** The funding will support statewide groundwater PFAS remediation efforts.

**Sec. 47** 2022 Acts and Resolves No. 185, Sec. B.1102 is added to read:

Sec. B.1102 FISCAL YEAR 2023 ONE-TIME TECHNOLOGY MODERNIZATION SPECIAL FUND APPROPRIATIONS

(a) In fiscal year 2023, funds are appropriated from the Technology Modernization Special Fund (21951) for new and ongoing initiatives as follows:

(1) \$40,010,000 to the Agency of Digital Services to be used as follows:

(A) \$11,800,000 for Enterprise Resource Planning (ERP) system upgrade of core statewide financial accounting system and integration with the Department of Labor and Agency of Transportation financial systems;

(B) \$1,800,000 for continued implementation of the Workplace Information Management System for property management at the Department of Buildings and General Services;

(C) \$960,000 for the Fire Safety System Modernization to replace the current technology with a modern platform to improve records management and public interaction functionalities related to permitting and licensing;

(D) \$2,200,000 for a case management system at the Office of the Attorney General;

(E) \$20,250,000 for the Department of Motor Vehicles (DMV) Core System Modernization Phase II; and

(F) \$3,000,000 for the Department of Labor Unemployment Insurance Modernization project.

EXPLANATION: \$16.76M of Technology Modernization Fund expenditures, for the projects previously itemized in 2022 Act 185 Section E.102.2, are removed from the Agency of Digital Services' base appropriation in Section B.105 and re-established as one-time appropriations. This section also makes appropriations for the \$20.25M DMV Modernization and \$3M VDOL projects, since the contingent General Fund transfer established in 2022 Act 185 Sec. C.102(b) was available and transferred to the Technology Modernization Fund at the close of FY2022. This adjustment maintains ADS's base appropriation, prevents large annual variances due to project portfolio changes, and provides greater internal control over projects and their associated funding.

Sec. 48 2022 Acts and Resolves No. 185, Sec. D.101 is amended to read:

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

(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>

(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	<u>\$1,773,425</u>	<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.

**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; and provide the Cannabis Control Board the funding necessary to complete their IT system implementation and cover general operating cost increases. 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.

\* \* \*

(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	<u>\$4,405,000</u>	<u>\$4,559,966.09</u>

<u>1100010000 Secretary of Administration</u>	<u>\$ 261,019.35</u>
<u>1110003000 Budget &amp; 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>
<del><u>2230892001 Calendar Year 2020 General Election</u></del>	<del><u>\$ 59,295.39</u></del>
<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>5100892214 AOA School Food Program Administration</u>	\$ <u>50,670.70</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.**

**EXPLANATION: \$10,511,208 net new General Fund balances available for reappropriation.**

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(d) Notwithstanding any provision of law to the contrary, in fiscal year 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 fiscal year 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>\$ ,288,991</u>
<u>8100001400 Town Highway State Aid</u>	<u>\$ 533,098</u>
<u>Non-Federal Disasters</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 &amp; 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>
<u>8100002600 Town Highway Class 2 Roadway</u>	<u>\$ 4,818,108</u>

EXPLANATION: \$20,727,011 will revert to the Transportation Fund and carry forward to fiscal year 2024. These funds are available from fiscal year 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 fiscal year 2024.



**Sec. 49** 2022 Acts and Resolves No. 185, Sec. D.102(a) is amended to read:

(a) \$3,020,000 from the General Fund shall be reserved in the 27/53 reserve in fiscal year ~~2022~~2023. This action is the fiscal year 2023 contribution to the reserve for the 53rd week of Medicaid as required by 32 V.S.A. § 308e and the 27th payroll reserve as required by 32 V.S.A. § 308e.

**EXPLANATION:** Technical correction to reference the appropriate fiscal year.

**Sec. 50** 2022 Acts and Resolves No. 185, Sec. E.100 is amended to read:

**Sec. E.100 EXECUTIVE BRANCH POSITIONS**

(a) The establishment of the following new positions is authorized in fiscal year 2023:

\* \* \*

(2) Permanent Exempt Positions:

(A) Vermont Pension Investment Commission: one Principal Assistant.

(B) Office of Child, Youth and Family Advocate

(i) One Child, Youth and Family Advocate; and

(ii) One Deputy Child, Youth and Family Advocate.

\* \* \*

(g) ~~the~~The establishment of the following exempt limited-service positions is authorized in the fiscal year beginning on July 1, 2022 through June 30, 2026.

(1) Truth and Reconciliation Commission

(A) Three Commissioners.

EXPLANATION: Technical corrections to provide position creation language that was inadvertently omitted from Acts 129 and 128.

~~Sec. 7 2022 Acts and Resolves No. 185, Sec. E.100.4 is added to read:~~

~~Sec. E.100.4 RURAL INFRASTRUCTURE ASSISTANCE PROGRAM~~

~~(a) Rural Infrastructure Assistance Program. The Agency of Administration shall develop a program to support rural communities in accessing, and managing, competitive grant funds available for clean water initiatives, development of a wide array of housing, broadband development, community recovery, workforce development and business supports and climate change mitigation and resiliency infrastructure projects to be administered by the State.~~

~~(b) Eligible communities. This Program will be designed to serve communities which score 75 percent or higher on the Vermont Underserved Communities Index developed by the Agency of Administration. The Agency shall have the option to expand the Program to additional communities after one calendar year from the date of implementation to the extent funds remain available.~~

~~(c) The Agency will make the following community support services available upon request from eligible communities:~~

~~(1) Community Needs Assessments to evaluate need as directed by a municipality in the following categories:~~

~~(A) Water quality infrastructure improvement;~~

~~(B) Housing development;~~

~~(C) Community recovery, workforce development and business supports;~~

~~(D) Climate change mitigation and resilience; and~~

~~(E) Other projects related to community economic development as determined by the Agency of Administration;~~

~~(2) Opportunity Assessment to identify available state and federal funding programs;~~

~~(3) Application and Permitting support to assist municipalities to apply for applicable funding sources and develop necessary permits;~~

~~(4) Project management and implementation support to assist successful grant recipients with project management and funding program compliance;~~

~~EXPLANATION: Directs the Agency of Administration to develop a program to provide technical assistance to rural communities seeking ARPA funded opportunities. \$3M is provided for this purpose in Section 1 of this Act, amending Sec. B.1100 of 2022 Act 185.~~

**Sec. 51** 2022 Acts and Resolves No. 185, Sec. E.105.2 is amended to read:

Sec. E.105.2 FISCAL YEAR 2023; TECHNOLOGY MODERNIZATION SPECIAL FUND;

#### AUTHORIZATIONS

(a) ~~In fiscal 2023, the following expenditures are authorized from the Technology Modernization Special Fund to the projects described in this section:~~

~~(1) the sum of \$11,800,000 for Enterprise Resource Planning (ERP) system upgrade of core statewide financial accounting system and integration with the Vermont Department of Labor and the Agency of Transportation financial systems;~~

~~(2) the sum of \$1,800,000 for continued implementation of the Workplace Information Management System for property management at the Department of Buildings and General Services;~~

~~(3) the sum of \$960,000 for the Fire Safety System Modernization to replace the current technology with a modern platform to improve records management and public interaction functionalities related to permitting and licensing; and~~

~~(4) the sum of \$2,200,000 for a case management system at the Office of the Attorney General.~~

~~(b)~~ The expenditures authorized in ~~subdivision (a)(1) of this section~~ Section B.1102 of this Act shall only be released following approval by the Joint Information Technology Oversight Committee upon a review of the following documentation as provided by the Agency of Digital Services, the Agency of Administration, and the Joint Fiscal Office's IT consultant:

- (1) adequacy of departmental readiness;
- (2) the responsiveness of requests for proposals; and
- (3) results of the independent review.

~~(e)~~(b) In fiscal year ~~2023~~2024, if funds are available per section C.102(b) of this act, the following expenditures are authorized from the Technology Modernization Special Fund to the projects described in this section:

(1) ~~The sum of \$20,250,000 for the Department of Motor Vehicles (DMV) Core System Modernization Phase II.~~(2) The sum of up to ~~\$30,000,000~~\$27,000,000 for the Department of

Labor Unemployment Insurance Modernization project. These funds shall be released as follows:

~~(A) the sum of \$3,000,000 on July 1, 2022;~~ ~~(B)~~ (A) the sum of \$10,000,000 on July 1, 2023 upon approval by the Joint Information Technology Oversight Committee of the actions outlined in a Project Schedule; and

~~(C)~~ (B) ~~R~~ remaining funds shall be released upon request as needed by the Agency of Digital Services and approval of the Joint Information Technology Oversight Committee in accordance with actions outlined in a Project Schedule.

\* \* \*

(3) For the amounts released in subdivisions ~~(2)~~ ~~(B)~~ ~~(C)~~ (1) ~~(A)~~ ~~(B)~~ of this subsection, the Joint Information Technology Oversight Committee shall consider the Project Schedule developed between the Department of Labor and the Agency of Digital Services, as approved by the Agency of Administration. The Joint Information Technology Oversight Committee shall also consider any actions proposed by the U.S. Department of Labor that may impact current or future plans developed by the State's Department of Labor.

**EXPLANATION:** Aligns 2022 Act 185 E.105.2 with the appropriations in Sec. 3 of this Act, adding Sec. B.1102 to 2022 Act 185.

**Sec. 52** 2022 Acts and Resolves No. 185, Sec. E.233.2(a) is amended to read:

(a) In fiscal year 2023 there is appropriated to the Vermont Community Broadband Board a total of ~~\$1,500,000~~ \$1,435,531 from special funds and \$684,127 from federal funds to operate the Board. ~~The intent of this section is to provide the necessary spending authority to the Board to~~

~~operate in fiscal year 2023 until a new line item budget is included in the budget adjustment for fiscal year 2023 pursuant to Sec. 233.1. of this act.~~

EXPLANATION: Amends the appropriation provided to reflect actual funds and anticipated expenditures in SFY23.

Sec. 53 2022 Acts and Resolves No. 185, Sec. E.300.2 is added to read:

Sec. E.300.2 ~~Employment Supports for New Americans~~ **EMPLOYMENT SUPPORTS FOR NEW AMERICANS**

(a) Employment Assistance Grants. The State Refugee Office, in consultation with the Vermont Department of Labor, shall administer a grant program to support the development of coordinated community-based systems, with consideration of regional networks and resources, to assist in achieving economic self-sufficiency for New Americans, including refugees, humanitarian parolees, special immigrant visa holders, asylees, asylum-seekers and ~~others who are pursuing a path to citizenship. other immigrants with low income who are or intend to become residents of Vermont.~~

(b) Grant funds may be allocated to:

(1) ~~A~~ assess the current ability of a municipality or region supporting the resettlement of New Americans, ~~with a focus on Brattleboro, Bennington, Chittenden and Rutland,~~ including the availability of English language services, transportation, housing, employment supports and economic and health services.

(2) ~~P~~ provide employment and related support services for refugees, asylum seekers and other New Americans including technical support, employment training before or during

employment, English language learning, employment – related case management, job placement, transportation or other related services; **and**

(3) Provide staff support for the coordination of local and State resources to secure partnerships with organizations employing refugees, development of sustainable New American support systems for regions where New Americans are being settled, creation of employer partnerships to serve multiple refugees, identification of cultural barriers for individual or groups of refugees and facilitation with necessary stakeholders to remove barriers and prepare for successful employment.

**EXPLANATION:** Creates a grant program, to be administered by the State Refugee Office, to assist organizations engaged in developing community-based systems of support for New Americans. \$350K has been provided to support this effort in Section 1 of this Act amending 2022 Act 185 to add subsection (a)(29).

**Sec. 54** 2022 Acts and Resolves No. 185, Sec. E. 301 is amended to read:

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

\* \* \*

(b) In addition to the State funds appropriated in this section, a total estimated sum of ~~\$25,231,144~~\$22,682,952 is anticipated to be certified as State matching funds under the Global Commitment as follows:

\* \* \*

(1) ~~\$22,230,100~~\$19,881,850 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with ~~\$28,269,900~~\$30,618,150 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 shall be transferred from the Global Commitment Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A. § 2959a.

\* \* \*

(2) ~~\$3,001,544~~\$2,801,102 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~~\$3,515,959 is transferred from the AHS Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Sec. B.301 of this act – Secretary's Office – Global Commitment.

**EXPLANATION:** Subsections (b) and (c) are amended to reflect current estimates.

**Sec. 55** 2022 Acts and Resolves No. 185, Sec. E.314.3 is added to read:

Sec. E.314.3 REIMBURSEMENT RATES FOR PRIVATE NONMEDICAL INSTITUTIONS

(a) Of the amounts appropriated in 2022 Acts and Resolves No. 185 ~~Section~~Sec. B.314 as amended by this act, \$420,000 is appropriated for the purposes of increasing reimbursement rates for Private Nonmedical Institutions which have rates set according to the Department of Vermont Health Access, Division of Rate Setting's Methods, Standards and Principles for Establishing Payment Rates for Private Nonmedical Institutions Providing Residential Child Care Services. This amount shall be distributed by increasing the per diem rates set by the Department of Vermont Health Access, Division of Rate Setting for each Private Nonmedical



Institution. The Division of Rate Setting shall increase the treatment portion of the final per diem rate for each Private Nonmedical Institution whose rate is set by the Division of Rate Setting by an amount sufficient to ensure the appropriation in this section is fully utilized from January 1, 2023 through June 30, 2023.

EXPLANATION: This is the associated language for the PNMI inflation factor adjustment. Amounts referenced are gross figures (GF + GC).

Sec. 56 2022 Acts and Resolves No. 185, Sec. E.317.1 is added to read:

Sec. E.317.1 REIMBURSEMENT RATES FOR PRIVATE NONMEDICAL INSTITUTIONS

(a) Of the amounts appropriated in 2022 Acts and Resolves No. 185 Section B.317 as amended by this act, \$1.9M,900,000 is appropriated for the purposes of increasing reimbursement rates for Private Nonmedical Institutions ~~which~~that have rates set according to the Department of Vermont Health Access, Division of Rate Setting's Methods, Standards and Principles for Establishing Payment Rates for Private Nonmedical Institutions Providing Residential Child Care Services. This amount shall be distributed by increasing the per diem rates set by the Department of Vermont Health Access, Division of Rate Setting for each Private Nonmedical Institution. The Division of Rate Setting shall increase the treatment portion of the final per diem rate for each Private Nonmedical Institution whose rate is set by the Division of Rate Setting by an amount sufficient to ensure the appropriation in this section is fully utilized from January 1, 2023 through June 30, 2023.

EXPLANATION: This is the associated language for the PNMI inflation factor adjustment. Amounts referenced are gross figures (GF + GC).

**Sec. 57** 2022 Acts and Resolves No. 185, Sec. E.501.1 is added to read:

Sec. E.501.1 EDUCATION RECOVERY AND REVITALIZATION

(a) The Agency of Education may adjust any of the allocations concerning ESSER II and ARP ESSER state set aside funds made in 2021 Acts and Resolves Nos. 9, 67, 72, and 74 of 2021 and 2022 Acts and Resolves Nos. 28, 83, 112, 166 and 185 of 2022 during the final reconciliation process to ensure the entirety of the federal awards are expended. The Agency of Education shall provide a final reconciliation report to the Joint Fiscal Committee on the reallocation of these funds in October 2023 and October 2024.

EXPLANATION: Through a series of legislative actions, all ESSER II and ARP ESSER state set aside funds have been fully allocated. As grant programs, contracts and administrative costs are reconciled, the Agency of Education requires additional flexibility to ensure that all funds can be expended by the end of the funding periods.

**Sec. 58** 2022 Acts and Resolves No. 185, Sec. E.514 is amended to read:

Sec. E.514 ~~State Teachers' Retirement System~~ STATE TEACHERS' RETIREMENT SYSTEM

(a) In accordance with 16 V.S.A. § 1944(g)(2), and consistent with system changes enacted for fiscal year 2023 in the 2022 session, the annual contribution to the State Teachers' Retirement System (STRS) shall be ~~\$194,161,651~~ \$194,961,651 of which ~~\$187,273,782~~ \$188,073,782 shall be the State's contribution and \$6,887,869 shall 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, ~~\$34,342,965~~ \$34,842,965 is the "normal contribution," and ~~\$159,818,686~~ \$160,118,686 is the "accrued liability contribution."

EXPLANATION: Changes represent the difference between Actuarial adjustments following Act 114 and the estimates used to calculate Act 185 totals.

Sec. 59 E.806 3 V.S.A. § 2473a is repealed (Vermont Life Magazine).

~~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. 60** 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. 61** 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. Sec. 61 of this act (adding 2022 Acts and Resolves No. 185, Sec. E.900), shall take effect retroactively on July 1, 2020. (?)

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 fiscal year 22 BAA.

Sec. 62 2022 Act 185 Section E.900.1 is added to read:

FY 2023 Transportation Fund Budget Stabilization Reserve

For the purpose of calculating the fiscal year 2023 Transportation Fund stabilization requirement of 5% of prior year appropriations, reversions of \$3,933,027 are excluded from fiscal year 2022 total appropriations. Sec. 62 of this act (adding 2022 Acts and Resolves No. 185, Sec. E.900), shall take effect retroactively on July 1, 2021. (?)

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

Sec. 63 2022 Acts and Resolves No. 185, Sec. G.300(c)(2) is amended to read:

(2) \$6,000,000 to the Department of Economic Development for the remediation and redevelopment of brownfield sites to be used in the same manner as the Brownfields Revitalization Fund established by 10 V.S.A. § 6654, except notwithstanding the grant limitations in 10 V.S.A. § 6654, projects supported by this appropriation shall not be limited to \$200,000 grants per parcel. The Agency of Commerce and Community Development shall award the amount of \$1,000,000.00 in fiscal year 2023 to regional planning commissions for the

purposes of brownfields assessment. In awarding funds under this section, the Secretary, in consultation with VAPDA, shall select one regional planning commission to administer these funds. To ensure statewide availability, the selected regional planning commission shall subgrant to regional planning commissions with brownfield programs, with not more than 510 percent of the funds being used for administrative purposes.

EXPLANATION: The language allows for a Regional Planning Commission to administer the \$1M brownfields grant program on ACCD's behalf and limits administrative costs to 5%-10% of expenditures.

Sec. 64 2022 Acts and Resolves No. 185, Sec. G. 500(a) is amended to read:

(a) \$95,000,000 is appropriated in fiscal year 2023 to the Department of Public Service, Vermont Community Broadband Board from the American Rescue Plan Act - Coronavirus Capital Projects Fund in order to support the State's goal of achieving universal access to reliable, high-quality, affordable broadband. This appropriation shall be used ~~transferred to the Vermont Community Broadband Fund~~ to make grants through the Broadband Construction Grant Program. The Board may use monies appropriated in this subsection to fund any match requirements applicable to broadband grants funded by the federal ~~Infrastructure~~ Infrastructure Investment and Jobs Act.

EXPLANATION: American Rescue Plan Act (ARPA) funds are federal funds subject to the requirements of 2 CFR 200. Expenditures must be itemized by their Catalog of Federal Domestic Assistance (CFDA) number for inclusion on the State's Schedule of Expenditure of Federal Awards (SEFA). This schedule is subject to the Single Audit provisions of 2 CFR 200. As such, the transfer mandate presents an unnecessary administrative burden and imposes undue accounting complexities to ensure that expenditures from the Vermont Community Broadband Fund (VCBF) are capable of being desegregated into their various sources. Direct expenditure of the ARPA funds from the currently established one-time Dept ID [2240892302] ensures compliance with all federal mandates and achieves the objectives required.

**Sec. 65** 2022 Acts and Resolves No. 185, Sec. G. 600(a)(2) is amended to read:

(2) \$35,000,000 to the Department of Public Service to grant to Efficiency Vermont for the purpose of weatherization incentives to Vermonters with a moderate income. These funds shall be deposited in the Electric Efficiency Fund established under 30 V.S.A. § 209(d)(3) and shall be available for ~~use~~ obligation by Efficiency Vermont through December 31, 2024.

Households approved for assistance in this section will also be offered services outlined in subdivision (4) of this subsection.

**EXPLANATION:** Provides clarification by substituting the technical term “obligation” for the general term “use” thereby avoiding misinterpretation of intent.

**Sec. 66** 2022 Acts and Resolves No. 185, Sec. G. 800(a) is amended to read:

(a) The establishment of the following ~~23~~ 32 new classified limited-service positions is authorized in fiscal year 2023.

**EXPLANATION:** Technical correction to adjust the number of positions referenced in subsection (a) to the sum of itemized position listed in subsections (a)(1) – (a)(11)(D).

**Sec. 67** 2021 Acts and Resolves No. 74, Sec. E.127.1(d) is ~~repealed~~ amended to read:

~~(d) (d) To fund this work for fiscal year 2022 and fiscal year 2023, notwithstanding 32 V.S.A. § 706, at the close of fiscal year 2021, \$250,000.00 in carryforward from the legislative budget shall be transferred to the JFO. [Repealed.]~~

**EXPLANATION:** The transfer was one-time funding to support the position provided in Section E.127.1(a) for a period of two years. The position was made permanent within the JFO and base funding was received in the FY22 Budget Adjustment Act and FY23 Appropriations Act. As such, the one-time transfer is not needed.

**Sec. 68** 2021 Acts and Resolves No. 74, Sec. D.101, and amended by 2022 Acts and Resolves No. 83, Sec. 48 is further amended to read:

Sec. D.101 FUND TRANSFERS, REVERSIONS AND RESERVES

\* \* \*

(d) Notwithstanding any provision of law to the contrary, in fiscal year 2022, the following amounts shall revert to the General Fund from the accounts indicated:

\* \* \*

1225001000 Legislative IT	<del>\$60,000.00</del> <u>\$120,000.00</u>
<u>1230001000 Sergeant-at-Arms</u>	<u>\$60,000.00</u>

\* \* \*

**EXPLANATION:** Technical correction that corrects the 2022 Act 83 Section 48 error that eliminated the original 2021 Act 74 Section D.101 \$60,000 general fund reversion for the Sergeant-at-Arms appropriation and reduced the Legislative IT appropriation’s general fund reversion by \$60,000. This adjustment effectuates the changes expressed in the June 30, 2022 Statement of Legislative Intent’s Act 83 Section 48 paragraph (pp. 4 of 7).

**Sec. 69** ~~2022 Acts and Resolves No. 83, Sec. 68 is amended to read~~ 2021 Acts and Resolves No. 74, Sec. G.300, as amended by 2022 Acts and Resolves No. 83, Sec. 68 is further amended to read:

G.300 INVESTMENTS IN VERMONT’S ECONOMY,  
WORKFORCE, AND COMMUNITIES

\* \* \*



(28) \$12,803,996\$12,803,993 to the Department of Labor to cover pandemic related operating costs in the Unemployment system and other programs.

\* \* \*

EXPLANATION: Technical adjustment to correct the Department of Labor's allocated amount of ARPA funds and reconcile the subsection totals to the total ARPA funds provided per Act 74 Section G.300 [2021] as amended by Act 83 Section 68 [2022].

Sec. 70 2022 Acts and Resolves No. 83, Sec. 72 is amended to read:

Sec. 72. WORKFORCE RECRUITMENT AND RETENTION INCENTIVE GRANT  
 FUNDING FOR EMPLOYEES OF ELIGIBLE HEALTH CARE AND SOCIAL SERVICE  
 EMPLOYERS

(a)(1) Program established. The Secretary of Human Services shall establish a workforce recruitment and retention incentive grant program for employees of eligible employers, as defined in this section. Eligible employers may apply for a grant within the grant application period determined by the Secretary.

(2) For all eligible employers except for home health agencies, the~~The~~the total grant award amount for each eligible employer shall be calculated at a rate of \$2,000 per full-time equivalent employee (FTE) based on the number of FTEs identified by the eligible employer in its grant application. For home health agencies, the total grant award amount for each eligible employer shall be calculated at a rate of \$3,000 per full-time equivalent employee (FTE) based on the number of FTEs identified by the eligible employer in its grant application.

\* \* \*

~~(4) Eligible employers shall distribute the full amount of their awards within 12 months following receipt of the grant funds.~~

\* \* \*

(f) Allocations.

(1) Of the funds made available in subsection (e) of this section, \$45,000,000 shall be allocated for a first round of funding, to be made available to the eligible employers identified in subsection (b) of this section. The remaining \$15,000,000 shall be reserved for a second round of funding pending identification of a set of additional health care and social service provider employers with a demonstrated need for the recruitment and retention incentive grant funding, as recommended by the Agency of Human Services and accepted by the General Assembly, or by the Joint Fiscal Committee if the General Assembly is not in session, except that the Agency is authorized to access all or a portion of the reserved funding to the extent that a funding deficiency is identified when meeting the needs of the first round of eligible employers.

(2) Any remaining funds following a second round of funding may be used for one or more of the following workforce recruitment and retention purposes:

(A)(i) Incentive grants to nurses employed by health care employers in Vermont for serving as preceptors for nursing students enrolled in Vermont nursing schools. The Agency shall distribute all or a portion of the remaining funds to health care employers employing nurses who provide student preceptor supervision based on the number of preceptor hours to be provided, at a rate of \$5.00 per preceptor hour, or a lesser hourly rate if the need exceeds the available funds. The Agency shall prioritize funding for health care employers that provide

matching funds for additional preceptor compensation or that commit to providing future compensation and support to expanding the number of preceptors.

(ii) If nurse preceptors receiving compensation pursuant to a grant awarded to a health care employer under this section are subject to a collective bargaining agreement, the use of the grant funds provided to the health care employer for the nurse preceptors shall be subject to bargaining between the health care employer and the collective bargaining representative of the nurses to the extent required by the collective bargaining agreement.

(B) Grants to health care employers, including hospitals, long-term care facilities, designated and specialized service agencies, federally qualified health centers, and other health care providers, to establish or expand partnerships with Vermont nursing schools to create nursing pipeline or apprenticeship programs, or both, that will train members of the health care employers' existing staff, including personal care attendants, licensed nursing assistants, and licensed practical nurses, to become higher-level nursing professionals. Through a combination of scholarship awards, grants awarded to health care employers pursuant to this section, grants awarded to health care employers pursuant to 2022 Acts and Resolves No. 183, Sec. 22, and the health care employer's contributions, the trainees' tuition and fees shall be covered in full, and trainees shall be provided with assistance in meeting their living costs, such as housing and child care, while attending the program.

\* \* \*

**EXPLANATION:**

- Amendment to Sec.72(a)(2) necessary to expend a portion of the remaining premium pay funds on a 50% increase in grants to home health agencies.
- Amendment to Sec.72(a)(4) necessary to avoid complexities with potential end of public health emergency and the IT platform that supports the grant program.

- Amendment to Sec.72(f) necessary to maximize effectiveness of nursing programs and ensure impact beyond public health emergency. Additional programs will expand programs authorized in Act 183, Secs. 21 and 22 by adding funding and additional health care employer types to the nurse preceptor program and adding a more flexible funding source that can cover living costs for the nursing pipeline or apprenticeship program.

**Sec. 71** 2022 Acts and Resolves No. 183, Sec. 21 is amended to read:

**Sec. 21. NURSE PRECEPTOR INCENTIVE GRANTS; HOSPITALS; WORKING GROUP; REPORT**

(a)(1) In fiscal year 2023, the amount of \$400,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Human Services to provide incentive grants to nurses employed by critical access hospitals in Vermont for serving as preceptors for nursing students enrolled in Vermont nursing school programs. The Agency shall distribute the funds to critical access hospitals employing nurses who provide student preceptor supervision based on the number of preceptor hours to be provided, at a rate of \$5.00 per preceptor hour, or a lesser hourly rate if the need exceeds the available funds. The Agency shall prioritize funding for hospitals that provide matching funds for additional preceptor compensation or that commit to providing future compensation and support to expanding the number of preceptors. If funding is not fully obligated after offering an initial grant opportunity to critical access hospitals, the Agency may open the grant opportunity to other health care employers, including non-critical access hospitals, long-term care facilities, designated and specialized service agencies, federally qualified health centers, and other health care providers.

(2) If nurse preceptors receiving compensation pursuant to a grant awarded to a hospital or other health care employer under this section are subject to a collective bargaining agreement,

the use of the grant funds provided to the hospital or other health care employer for the nurse preceptors shall be subject to impact bargaining between the hospital or other health care employer and the collective bargaining representative of the nurses to the extent required by the collective bargaining agreement.

**HOUSE COMMERCE AND ECONOMIC DEVELOPMENT EXPLANATION:** the Committee recommends allowing the Agency of Human Services to award any funds remaining from the \$400,000 appropriated to the Agency in 2022 Acts and Resolves No. 183, Sec. 21 to other health care employers for nurse preceptor incentive grants after the critical access hospitals have been offered the opportunity to participate in the grant program.

**Sec. 72** 2022 Acts and Resolves No. 182, Sec. 3 is amended to read:

Sec. 3. MANUFACTURED HOME IMPROVEMENT AND REPLACEMENT PROGRAM

Of the amounts available from ~~federal COVID-19 relief~~ the American Rescue Plan Act (ARPA) recovery funds, the following amounts are appropriated to the Department of Housing and Community Development for the purposes specified:

\* \* \*

**EXPLANATION:** Technical amendment to replace the general reference with the actual fund source used for the subsequent appropriations. This adjustment effectuates the changes expressed in the June 30, 2022 Statement of Legislative Intent's Act 182 Section 3 paragraph (pp. 6 of 7).

**Sec. 73** 2022 Acts and Resolves No. 182, Sec. 28 is amended to read:

Sec. 28. ~~APPROPRIATION~~ ALLOCATION

~~To the extent that increased funding is provided in fiscal year 2023 to the Municipal and Regional Planning Fund, \$650,000.00 shall be used for Municipal Bylaw Modernization Grants established in 24 V.S.A. § 4307.~~

An amount not to exceed \$650,000 of Municipal and Regional Planning Funds, as appropriated to the Department of Housing and Community Development per 2002 Act 185 SectionSec.

B.802, may be used to provide Municipal Bylaw Modernization Grants in accordance with 24 V.S.A § 4307.

EXPLANATION: Technical amendment clarifying that the \$650,000 referenced in 2022 Act 182 Section 28 was an allocation of the amount appropriated in 2022 Act 185 Section B.802 and not an additional appropriation. This adjustment effectuates the changes expressed in the June 30, 2022 Statement of Legislative Intent's Act 182 Section 28 paragraph (pp. 6 of 7).

Sec. 74 2022 Acts and Resolves No. 183, Sec. 16(b)(1) is amended to read:

(1) Notwithstanding 16 V.S.A. § 4025(d); In in fiscal year 2023, the amount of \$15,000,000.00 is appropriated from the Education Fund to the Vermont Housing and Conservation Board to create and administer the CTE Construction and Rehabilitation Experiential Learning Program and Revolving Loan Fund pursuant to this section

EXPLANATION: Language necessary to implement the use of Education Funds without repealing the education property tax. This adjustment effectuates the changes expressed in the June 30, 2022 Statement of Legislative Intent's Act 183 Section 16 paragraph (pp. 6 of 7).

Sec. 75 2022 Acts and Resolves No. 183, Sec. 25 is amended to read:

**25. VERMONT NURSING FORGIVABLE LOAN INCENTIVE  
PROGRAM; APPROPRIATION**

\* \* \*

(a) In fiscal year 2023, the amount of \$227,169.00 in Global Commitment funds is appropriated to the Department of Health for forgivable loans for nursing students under the

Vermont Nursing Forgivable Loan Incentive Program established in 18 V.S.A. § 34 by Sec. 23 of this act.

(b) In fiscal year 2023, the amount of \$100,000.00 is appropriated from the General Fund to the Agency of Human Services, Global Commitment ~~appropriation~~Program for the State match for the Vermont Nursing Forgivable Loan Incentive Program established in 18 V.S.A. § 34 by Sec. 23 of this act.

(c) In fiscal year 2023, \$127,169.00 in federal funds is appropriated to the Agency of Human Services, Global Commitment ~~appropriation~~Program for the Vermont Nursing Forgivable Loan Incentive Program established in 18 V.S.A. § 34 by Sec. 23 of this act.

**EXPLANATION:** Technical correction to ensure these appropriations are correctly categorized as one-time in nature, and not additive to the Global Commitment base appropriation.

**Sec. 76** 2022 Acts and Resolves No. 183, Sec. 47(d)(3) is amended to read:

(3) the amount of the cumulative decline in adjusted net operating income during the COVID-19 public health emergency in 2020 and 2021, or other appropriate basis of comparison used to determine eligibility under subdivision (c)(4) of this section. Notwithstanding 1 V.S.A. § 214, Sec. 71 of this act (amending 2022 Acts and Resolves No. 183, Sec. 47(d)(3)), shall take effect on July 1, 2022 and apply retroactively to applications received on or after that date.

**EXPLANATION:** Language ensures maximum loan amount options are consistent with the eligibility criteria in subsection (c)(4).

**Sec. 77** 2022 Acts and Resolves No. 183, Sec. 53(a) is amended to read:

(a) Reversion. In fiscal year ~~2022-2023~~, of the amounts appropriated in 2021 Acts and Resolves No. 74, Sec. G. 300(a)(13), from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Commerce and Community Development for the Economic Recovery Grant Program, ~~\$25,500,000.00~~\$25,042,000.00 shall revert to the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds.

**EXPLANATION: Technical amendment to adjust reversion to actual amount available for reversion in the appropriate fiscal year.**

~~Sec. 31 2022 Acts and Resolves No. 183, Sec. 54 is amended to read:~~

~~Sec. 54. APPROPRIATION; DOWNTOWN AND VILLAGE CENTER TAX CREDIT~~

~~PROGRAM There is appropriated the sum of \$2,450,000.00 from the General Fund to the Vermont Downtown and Village Center Tax Credit Program to be used in fiscal years 2023 and 2024. Notwithstanding 32 V.S.A. § 5930ee, up to \$5,450,000 the funds shall be used to increase the amount of for tax credits, in fiscal year 2023, that may be awarded to on qualified projects. Notwithstanding 32 V.S.A. § 5930ee, any tax credit capacity for this program not used in FY23 shall carry forward. Of those tax credits awarded in fiscal years 2023 and 2024, up to \$2,000,000.00 may be awarded to qualified projects located in designated neighborhood development areas.~~

**Sec. 78** 2022 Acts and Resolves No. 183, Sec. 54 is amended to read:

~~Sec. 54. APPROPRIATION; DOWNTOWN AND VILLAGE CENTER TAX CREDIT~~

~~PROGRAM~~



~~There is appropriated the sum of \$2,450,000.00 from the General Fund to the Vermont Downtown and Village Center Tax Credit Program to be used in fiscal years 2023 and 2024. Notwithstanding 32 V.S.A. § 5930ee, until the end of fiscal year 2024, up to \$5,450,000 the funds shall be used to increase the amount of for Downtown and Village Center Tax Credit Program tax credits, in fiscal year 2023, that may be awarded to on qualified projects. Notwithstanding 32 V.S.A. § 5930ee, any tax credit capacity for this program not used in fiscal year 2023 shall carry forward. Of those tax credits awarded in fiscal years 2023 and 2024, up to \$2,000,000.00 may be awarded to qualified projects located in designated neighborhood development areas. It is the intent of the General Assembly that this section be a temporary increase to the pProgram for fiscal yearyears 2023 and 2024.~~

EXPLANATION: Tax credits are recorded as a revenue offset and, as such, no appropriation is necessary since no cash outlay from the Treasury is required. The intent of Act 183 Sec. 54 appears to be to add a total of \$2,450,000 to the Downtown and Village Center Tax Credit Program over FY23 and FY24, which are capped at \$3m per year by 32 V.S.A. § 5930ee. A carryforward provision is included to accommodate possible operational limits in awarding the additional funds within the intended timeframe. Clarifying language recommended by House Ways and Means.

Sec. 79 2022 Acts and Resolves No. 184, Sec. 2(8)(C) and (D) are amended to read:

(C) ~~Replace Your Ride Program. Sec. 5(c) of this act authorizes \$3,000,000.00~~ \$2,900,000.00 for incentives under Replace Your Ride, which will be the State's program to incentivize Vermonters to remove older low-efficiency vehicles from operation and switch to modes of transportation that produce fewer greenhouse gas emissions, and capped administrative costs.

(D) ~~eBike Incentives. Sec. 5(d) of this act authorizes \$50,000.00~~ \$150,000.00 for eBike incentives and capped administrative costs.

**Sec. 80** 2022 Acts and Resolves No. 184, Sec. 5(c) and (d) are amended to read:

(c) Replace Your Ride Program. The Agency is authorized to spend up to ~~\$3,000,000.00~~\$2,900,000.00 as appropriated in the fiscal year 2023 budget on the Replace Your Ride Program established in 2021 Acts and Resolves No. 55, Sec. 27, as amended.

(d) eBike Incentives. The Agency is authorized to spend up to ~~\$50,000.00~~\$150,000.00 as appropriated in the fiscal year 2023 budget on an eBike incentive program.

**Sec. 81** 2022 Acts and Resolves No. 185, Sec. G.600(b) is amended to read:

(b) In fiscal year 2023, \$32,200,000 is appropriated from the General Fund and \$550,000 is appropriated from the Transportation Fund for electric vehicle charging infrastructure, electrification incentives and public transportation investments as follows:

\* \* \*

(5) ~~\$3,000,000.00~~\$2,900,000.00 to the Agency of Transportation for the Replace Your Ride Program, established in 2021 Acts and Resolves No. 55, Sec. 27, as amended.

(6) \$2,200,000 general funds and \$550,000 Transportation funds to the Agency of Transportation for the following:

\* \* \*

(C) \$50,000 Transportation funds and \$100,000 general funds to the Agency of Transportation for electric bicycle incentives.

**HOUSE TRANSPORTATION EXPLANATION:** In fiscal years 2022 and 2023, the General Assembly appropriated \$100,000.00 for electric bicycle (eBike) incentives. The State eBike incentives were made available in the fall of 2022, and the available funding was rapidly depleted. Due to the depletion of funding, there are not currently any State incentives for eBikes. This means that, absent an additional appropriation for State eBike incentives in fiscal year 2023, there will not be any State eBike incentives available during the spring bicycling season, which

is when many individuals purchase a new bicycle in advance of the summer. More information on eBike incentives in Vermont is available [here](#). On a vote of 9-1-1, the House Committee on Transportation recommends that the Fiscal Year 2023 Budget Adjustment Act include an additional \$100,000.00 appropriation for State eBike incentives for the balance of fiscal year 2023.

**Sec. 82** 2022 Acts and Resolves No. 186, Sec. 4(b) is amended to read:

(b) In fiscal year 2023, \$102,000.00 is ~~appropriated~~ allocated to the Department of Disabilities, Aging, and Independent Living from the Global Commitment Federal Medical Assistance Percentage (FMAP) home- and community-based services monies appropriated in 2022 Acts and Resolves No. 83, Sec. 72a, as amended by 2022 Acts and Resolves No. 185 Sec.105 to fund the Residential Program Developer position established in subsection (a) of this section.

**EXPLANATION:** Technical language clarifying that the \$102K was not a new appropriation but an allocation of funding from a previous appropriation as amended.

**Sec. 83** 2022 Acts and Resolves No. 186, Sec. 5(b)(1) is amended to read:

(b)(1) In fiscal year 2023, \$500,000.00 is ~~appropriated~~ allocated to the Department of Disabilities, Aging, and Independent Living from the Global Commitment Federal Medical Assistance Percentage (FMAP) home- and community-based services monies appropriated in 2022 Acts and Resolves No. 83, Sec. 72a, as amended by 2022 Acts and Resolves No. 185 Sec.105 to develop housing and residential service pilot planning grants in at least three regions of the State, in partnership with designated and specialized service agencies, for individuals with developmental disabilities and their families. The Department shall issue a request for proposals

seeking entities to develop regional pilot planning grants with not more than one grant per designated agency catchment area.

EXPLANATION: Technical language clarifying that the \$500K was not a new appropriation but an allocation of funding from a previous appropriation as amended.

Sec. 84 ~~2022 Acts and Resolves No. 45, Sec. 6.33~~ V.S.A. § 3543 is amended to read:

§ 3543. STUDENT LOAN REPAYMENT ASSISTANCE

(a)(1) There is established a need-based student loan repayment assistance program for the purpose of providing student loan repayment assistance to any individual employed by a regulated, privately operated center-based child care program or family child care home.

(2) An eligible individual shall:

(A)(i) work in a privately operated center-based child care program or in a family child care home that is regulated by the Division for at least an average of 30 hours per week for 48 weeks of the year; or

(ii) if the individual is an employee of a Vermont Head Start program that operates fewer than 48 weeks per year, work a minimum of nine months of the year, inclusive of any employer-approved time off;

(B) receive an annual salary of not more than ~~\$50,000.00~~\$60,000.00 through the individual's work in regulated childcare; and

(C)(i) have earned an associate's or bachelor's degree with a major or concentration in early childhood, child and human development, elementary education, special education with a birth to age eight focus, or child and family services ~~within the preceding five years;~~ or

(ii) have earned an associate's, bachelor's, or master's degree that contributes to an Early Childhood Career Ladder Certificate Level IIIB or higher through Northern Lights at the Community College of Vermont.

(3) To participate in the program set forth in this section, an eligible individual shall submit to the Department for Children and Families documentation expressing the individual's intent to work in a regulated, privately operated center-based child care program or family child care home for at least the 12 months following the annual loan repayment award notification. A participant may receive up to \$4,000.00 annually in student loan repayment assistance, which shall be distributed by the Department in four allotments. The Department shall distribute at least one-quarter of the individual's total annual benefit after the individual has completed three months of employment in accordance with the program. The remainder of an individual's total annual benefit shall be distributed by the Department every three months after the initial payment.

\* \* \*

(d) An individual who has not received student loan repayment assistance pursuant to subdivision (a)(3) of this section shall be eligible for a one-time retroactive payment of \$4,000.00 if the individual met all eligibility requirements within the 12 months preceding the date of application.

**HOUSE HUMAN SERVICES EXPLANATION:** The Committee proposes the following amendments to the Student Loan Repayment Assistance program on an ongoing basis to expand the scope of eligible recipients and to allow for retroactive payments to providers who were eligible for a payment within the past year.

**Sec. 85** 2020 Acts and Resolves No. 164, Sec. 6d. is amended to read:

Sec. 6d. AUDITOR OF ACCOUNTS REPORT

On or before November 15, ~~2023~~2024, the Auditor of Accounts shall report to the General Assembly regarding the organizational structure and membership of the Cannabis Control Board and whether the structure continues to be the most efficient for carrying out the statutory duties of the Board.

HOUSE GOVERNMENT OPERATIONS EXPLANATION: At the request of the Auditor of Accounts, we support extending the deadline for this report by one year to 2024. The Auditor of Accounts and Cannabis Control Board agree that there is not yet sufficient information to have the report be useful given the nascency of the regulated marketplace in 2023. The Auditor suggested this may have significant impact on budgeting for the next fiscal year and requested the date be pushed forward or that the report be eliminated. We support changing the due date of the report to November 15, 2024

Sec. 86 32 V.S.A. § 7811 is amended to read:

§ 7811. IMPOSITION OF TOBACCO PRODUCTS TAX

\* \* \*

(b) The tax established in this section shall not be imposed on:

(1) cannabis-related supplies sold by a dispensary registered under ~~18 V.S.A. chapter 867~~ V.S.A. chapter 37 to registered patients and registered caregivers, as those terms are defined in ~~18 V.S.A. § 44727~~ V.S.A. § 972;

(2) cannabis products, as defined in 7 V.S.A. § 831, that do not contain tobacco; or

(3) hemp or hemp products, as defined in 6 V.S.A. § 562, that do not contain tobacco.

\* \* \*

This act shall take effect on July 1, 2023, except, notwithstanding 1 V.S.A. § 214, Sec. 82, 32

V.S.A. § 7811(b)(1) (exemption; cannabis sold by dispensaries), shall take effect retroactively on

March 1, 2022

**HOUSE WAYS AND MEANS EXPLANATION:** Amend exemption from tobacco products tax to exempt cannabis and hemp products that do not contain tobacco.

**Sec. 87 REPEALS; MENTAL HEALTH RISK POOL**

1998 Acts and Resolves No. 147, Sec. 138a is repealed ~~effective on passage.~~

**EXPLANATION:** Language necessary for the repeal of the Mental Health Risk Pool special fund.

**Sec. 88 JUDICIARY NETWORK REPLACEMENT REVIEW**

(a) On or before April 15, 2023, the Judiciary shall obtain an independent expert review for their proposed Network Replacement project. The review shall include:

- (1) an acquisition cost assessment;
- (2) a technology architecture and standards review;
- (3) an implementation plan assessment, including a review of the staffing plan for the ongoing operation of the network;
- (4) a cost analysis and a model for benefit analysis;
- (5) an analysis of alternatives;
- (6) an impact analysis on the Judiciary's net operating costs; and
- (7) a security assessment.

(b) The Judiciary shall submit a copy of the review described in subsection (a) of this section to the House Committees on Appropriations and on Government Operations and Military Affairs and the Senate Committees on Appropriations and on Government Operations. No funds shall be appropriated for the Judiciary's Network Replacement project until the results of the review are assessed by the General Assembly.

(c) Any costs associated with the review described in subsection (a) of this section shall be paid for from the Judiciary's Fiscal Year 2023 operating budget.

Sec. 89 V.S.A. chapter 38 is added to read:

#### CHAPTER 38. CHILDREN'S INTEGRATED SERVICES

##### § 3801. PER MEMBER PER MONTH PAYMENT

Providers of children's integrated services shall receive a per member per month payment of \$650.00 for all eligible recipients.

HOUSE HUMAN SERVICES EXPLANATION: the Committee would like to ensure that the \$650.00 per member per month rate be paid for the entire caseload.

#### Sec. 90 SECURE RESIDENTIAL STABILIZATION FACILITIES FOR YOUTH

(a) \$4,600,000~~26,506~~ of funds appropriated to the Agency of Human Services shall be held in reserve until the Department for Children and Families submits a report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare providing a detailed plan for the location, design, and budget of the proposed secure residential stabilization facilities for youth, on or before March 31, 2023. The report shall include:



(1) the proposed timeframe in which each temporary facility would be operational while plans for a suitable permanent facility are developed and implemented; and

(2) the timeframe for the additional stabilization and treatment unit plans.

**HOUSE HUMAN SERVICES EXPLANATION:** the Committee feels that the approval of these funds should be contingent upon a more complete plan for the location, including recognition that this is a temporary location (up to 6 years) while plans for a suitable location for a permanent facility are developed and the submission of a timeline for the additional stabilization and treatment unit plans. The Committee requests language that requires a more complete plan for the location, design, and budget of the units be submitted to the committees of jurisdiction prior to March 31, 2023.

**Sec. 91 GENERAL ASSISTANCE EMERGENCY TEMPORARY HOUSING PROGRAM**

(a) The Department for Children and Families shall ~~continue~~ convene a group of broad stakeholders, including Continuum of Care organizations, Community Action Agencies, people with lived experience, lodging establishments, homelessness shelters, and other interested parties, to use examine the General Assistance Emergency Housing Workgroup, convened in March 2021, to public policy options for administering temporary housing assistance. The group shall make recommendations to the Commissioner for Children and Families on the design and implementation of a sustainable, long-term plan for providing emergency housing after fiscal year 2023 that ends reliance on the General/Emergency Assistance Motel Voucher Program. This ~~workgroup~~ group shall consider investments needed to build local capacity to support emergency housing needs, which may include funding, training, technical assistance, and planning support. The Department for Children and Families and ~~Workgroup~~ the workgroup shall also consider the Governor's proposed permanent housing initiative when developing its recommendations.

(b) On or before April 15, 2023, the Department for Children and Families shall submit a written report to the House Committees on Appropriations, on General and Housing, ~~and~~

Military Affairs, and on Human Services and the Senate Committees on Appropriations, on Economic Development, Housing and General affairs, and on Health and Welfare with recommendations on the development of a sustainable, long-term plan for emergency housing.

(c) The Department shall also continue to engage interested local and statewide parties, including the ~~Continua~~Continuum of Care organizations, service providers, people with lived experience, and representatives of Vermont's health care system, in the design, implementation, and evaluation of housing assistance programs and community-based alternatives to General/Emergency Assistance ~~emergency~~temporary housing.

(d) The Department for Children and Families shall implement the identified sustainable housing plan on July 1, 2023 in line with recommendations made in the April 15, 2023 written report. The Department for Children and Families shall take into consideration steps necessary to ensure an effective and efficient transition that ends reliance on the General/Emergency Assistance Motel Voucher Program effective on June 30, 2023.

## Sec. 92 MUNICIPAL TECHNICAL ASSISTANCE TO ACCESS STATE

### AND FEDERAL FUNDING

(a) Expanding municipal access to State and federal funding. The Agency of Administration, consistent with the provisions of this section, shall design and implement a process to provide expanded technical and administrative assistance to municipalities with high need that may be eligible for State or federal funding for the following activities:

(1) Community needs assessment. Conducting a review of community assets and needs, strategic planning, and identifying potential eligible projects, including in the following categories:

(A) water supply and wastewater infrastructure;

(B) housing;

(C) community recovery, workforce development, and business support;

(D) climate change mitigation and resilience; and

(E) other community economic development projects identified by a municipality and approved by the Agency of Administration.

(2) Opportunity assessment. Assessing the technical assistance and funding available from State, federal, and private sources; evaluating eligibility and compliance requirements; and conducting a feasibility analysis of whether the municipality has, or can develop, the capacity to complete a project and meet applicable requirements.

(3) Application and permit assistance. Providing technical and administrative assistance with completing funding applications, permit applications, and satisfying initial regulatory requirements.

(4) Project management and implementation. Providing ongoing support to successful grant recipients with project management, funding program implementation, funding program compliance, and administrative and regulatory compliance through project completion.

(5) Other capacity-building activities. Providing additional assistance, subject to approval by the Agency, to advance priority projects identified by municipalities.

(b) Eligible service providers; service delivery.

(1) Eligibility.

(A) The Agency shall develop eligibility criteria, issue a request for proposals, and implement an approval process for service providers within each region to provide the technical assistance and services specified in subsection (a) of this section.

(B) The Agency may exercise its discretion in structuring the terms of service and payments, provided that the Agency shall adopt a set of minimum standards, duties, and performance requirements applicable to all service providers.

(2) Providers; mode of delivery. The Agency may:

(A) award a grant or contract for services to a regional planning commission, regional development corporation, or other similar instrumentality; to a private for-profit or nonprofit contractor; or to a combination of these;

(B) award funding to two or more municipalities to create a shared full-time, part-time, or limited-service position; or

(C) authorize an eligible municipality to directly contract for services from one or more providers approved by the Agency, subject to terms approved by the Agency.

(3) Regional collaboration. In approving service providers, the Agency shall give priority to applicants that demonstrate a commitment and ability to promote regional collaboration and maximize the efficient use of resources.

(c) Eligible municipalities; communities index.

(1) The Agency shall develop an index that ranks Vermont municipalities based on their relative administrative capacity to access and maximize the benefits of technical assistance and funding that is available from State, federal, and other sources.

(2) In developing the index, for each municipality in this State, the Agency shall consider its demographic profile, geographic location, and economic resources; the current size and administrative capacity of the municipal government; the availability of regional partners and supports; and other factors the Agency determines to be relevant in assessing the municipality's capacity to fully access available funding and related assistance.

(d) Eligible municipalities; priority.

(1) The Agency shall approve funding on a first-come, first-served basis to municipalities that rank in the top 25th percentile on the index developed pursuant to subsection (c) of this section.

(2) Notwithstanding subdivision (1) of this subsection, the Agency may adopt a process to consider and approve funding for a municipality that ranks below the top 25th percentile but demonstrates exceptional circumstances.

(3) If funds remain available after meeting the funding requirements of municipalities that qualify under subdivisions (1)–(2) of this subsection, the Agency may award funding to other municipalities according to index ranking.

(e) Outreach; implementation.

(1) The Agency, in coordination with the Vermont League of Cities and Towns, shall conduct a general public engagement campaign to make municipalities aware of the potential opportunity for services and funding pursuant to this section.

(2) The Agency, the Vermont League of Cities and Towns, and each regional planning commission and regional development corporation that serves a municipality that is eligible for funding priority under subdivision (d)(1) of this section shall work collaboratively to ensure that individual outreach to each eligible municipality occurs:

(A) to inform the municipality that it is eligible for funding for technical assistance and related services based on its index ranking;

(B) to educate the municipality on the process for identifying the types of services and assistance available, identifying eligible service providers, and accessing funding pursuant to this section; and

(C) to determine whether the municipality intends to further pursue funding for technical assistance and related services or waives its priority for funding.

(f) Reporting.

(1) The Agency shall report to the House and Senate Committees on Appropriations, the Senate Committee on Government Operations, the House Committee on Government Operations and Military Affairs, the House Committee on Commerce and Economic Development, and the Senate Committee on Economic Development, Housing and General Affairs on or before the following dates:

(A) April 1, 2023;

(B) July 1, 2023; and

(C) January 15, 2024.

(2) The Agency shall address in its reports the design and implementation of the process for providing municipal technical assistance pursuant to this section, including information addressing:

(A) the activities specified in subsection (a) of this section for which the Agency provided funding and the type and amount of State, federal, or other funds that were leveraged for each activity;

(B) the eligibility criteria, request for proposals, and approval process for service providers; the standards, duties, and performance requirements applicable to service providers; and the identity and scope of services performed by approved service providers;

(C) the mode of delivery, amount, and purpose of funding awarded to municipalities;

(D) the design, methodology, and efficacy of the index; the effectiveness of the index in identifying relative priority and capacity of municipalities; and, if applicable, the basis of any

funding awards made due to exceptional circumstances pursuant to subdivision (d)(3) of this section; and

(E) the design, implementation, and effectiveness of outreach efforts undertaken pursuant to subsection (e) of this section.

**EXPLANATION: Extends the Emergency Assistance Motel Voucher Program without modification through fiscal year 2023 and mandates that a new program begin at the start of fiscal year 2024. Section 87a created through amendment to add language for the municipal technical assistance initiative.**

**Sec. 93** 3 V.S.A. § 455 is amended to read:

§ 455. DEFINITIONS

(a) As used in this subchapter:

\* \* \*

(11) “Member” means any employee included in the membership of the Retirement System under section 457 of this title.

\* \* \*

(F) “Group G member” means the following employees who are first employed in the positions listed in this subdivision (F) on or after ~~July 1, 2022~~ July 1, 2023, or who are members of the System as of June 30, 2022 and make an irrevocable election to prospectively join Group G on or before June 30, 2023, pursuant to the terms set by the Board: facility employees of the Department of Corrections, as Department of Corrections employees who provide direct security and treatment services to offenders under supervision in the community, as employees of a facility for justice-involved youth, or as Vermont State Hospital employees or as employees of its successor in interest, who provide direct patient care.

(12) "Membership service" ~~shall mean~~ means service rendered while a member of the Retirement System.

(13) "Normal retirement date" means:

\* \* \*

(E) with respect to a Group G member:

(i) for facility employees of the Department of Corrections, Department of Corrections employees who provide direct security and treatment services to offenders under supervision in the community, employees of a facility for justice-involved youth, or employees of the Vermont State Hospital or its successor in interest, who provide direct patient care, who were first included in the membership of the System on or before June 30, 2008, who were employed as of June 30, 2022, and who made an irrevocable election to prospectively join Group G on or before July 1, 2023, pursuant to the terms set by the Board, the first day of the calendar month next following the earlier of (I) 62 years of age and following completion of five years of creditable service, (II) completion of 30 years of creditable service, or (III) 55 years of age and following completion of 20 years of creditable service; or

(ii) for facility employees of the Department of Corrections, Department of Corrections employees who provide direct security and treatment services to offenders under supervision in the community, as employees of a facility for justice-involved youth, or employees of the Vermont State Hospital or its successor in interest, who provide direct patient care, who were first included in the membership of the System on or after July 1, 2008, who were employed as of June 30, 2022, and who made an irrevocable election to prospectively join Group G on or before July 1, 2023, pursuant to the terms set by the Board, the first day of the calendar month next following the earlier of (I) 65 years of age and following completion of five



years of creditable service, (II) attainment of 87 points reflecting a combination of the age of the member and number of years of service, or (III) 55 years of age and following completion of 20 years of creditable service; or

(iii) for facility employees of the Department of Corrections, Department of Corrections employees who provide direct security and treatment services to offenders under supervision in the community, employees of a facility for justice-involved youth, or employees of the Vermont State Hospital or its successor in interest, who provide direct patient care, who first become a Group G member on or after July 1, 2023, the first day of the calendar month next following the earlier of (I) attainment of 55 years of age and following completion of 20 years of creditable service, or (II) 65 years of age and following completion of five years of creditable service.

\* \* \*

**Sec. 94** 3 V.S.A. § 470 is amended to read:

§ 470. POSTRETIREMENT ADJUSTMENTS TO RETIREMENT  
ALLOWANCES

\* \* \*

(b) Calculation of net percentage increase.

(1) Consumer Price Index; maximum and minimum amounts. Prior to October 1 of each year, a determination shall be made of any increase or decrease, to the nearest one-tenth of a percent, in the Consumer Price Index for the month ending on June 30 of that year to the average of said index for the month ending on June 30 of the previous year. Any increase or decrease in the Consumer Price Index shall be subject to adjustment so as to remain within the following maximum and minimum amounts:

\* \* \*

(E) For Group F and Group G members who are first eligible for normal retirement or unreduced early retirement on or before June 30, 2022, or who are vested deferred members as of June 30, 2022, the maximum amount of any increase or decrease used to determine the net percentage increase shall be five percent. In the event that there is an increase or decrease of less than one percent, the net percentage increase shall be assigned a value of one percent and shall not be subject to further adjustment pursuant to subsection (d) of this section.

\* \* \*

(c) Eligibility for postretirement adjustment. In order for a beneficiary to receive a postretirement adjustment to the beneficiary's retirement allowance, the beneficiary must meet the following eligibility requirements:

\* \* \*

(2) In service on or before June 30, 2022. For all Group A, C, ~~and F,~~ and G members who are first eligible for normal retirement or unreduced early retirement on or before June 30, 2022, and for Group D members first appointed or elected on or before June 30, 2022, the member must be in receipt of a retirement allowance for at least 12 months prior to the January 1 effective date of any postretirement adjustment.

\* \* \*

**Sec. 95** 3 V.S.A. § 473 is amended to read:

§ 473. FUNDS

(a) Assets. All of the assets of the Retirement System shall be credited to the Vermont State Retirement Fund.

(b) Member contributions.

\* \* \*

(2)(A) Group A members. Commencing on July 1, 2016, contributions shall be 6.55 percent of compensation for Group A members.

\* \* \*

(C) Group D members. Commencing on July 1, 2022, the contribution rate for Group D members shall be based on the highest quartile in which a member's hourly rate of pay falls. Quartiles shall be determined annually in the first full pay period of each fiscal year by the Department of Human Resources based on the hourly rate of pay by all Group D members. The contribution rates shall be based on the schedule set forth below:

\* \* \*

(D) Group F members. Commencing on July 1, 2022, the contribution rate for Group F members shall be based on the quartile in which a member's hourly rate of pay falls. Quartiles shall be determined annually in the first full pay period of each fiscal year by the Department of Human Resources based on the combined hourly rate of pay of all Group F and Group G members. The contribution rates shall be based on the schedule set forth below:

\* \* \*

(E) Group G members. Commencing on July 1, 2023, the contribution rate for Group G members shall be based on the quartile in which a member's hourly rate of pay falls. Quartiles shall be determined annually in the first full pay period of each fiscal year by the Department of Human Resources based on the combined hourly rate of pay of all Group F and Group G members. The contribution rates shall be based on the schedule set forth below:

\* \* \*

Sec. 96 3 V.S.A. § 500(b) is amended to read:

§ 500. DEFINED CONTRIBUTION RETIREMENT PLAN

\* \* \*

(b) Employees who are not members of the classified system who are first employed by the State on and after January 1, 1999, and would otherwise be members of Group A, B, C, D, ~~or F~~, or G of the Vermont State Retirement System shall be eligible to participate in the Defined Contribution Retirement Plan.

\* \* \*

**Sec. 97** 2022 Acts and Resolves No. 114, Sec. 14 is amended to read:

Sec. 14. ONE-TIME IRREVOCABLE ELECTION FOR CERTAIN  
CORRECTIONS WORKERS

(a) On or before September 15, 2022, the Department of Human Resources, in consultation with the State Treasurer's office, shall establish a list of positions eligible for Group G of the Vermont State Employees' Retirement System. The list of Group G-eligible positions shall be limited to the following State employees:

- (1) facility employees of the Department of Corrections;
- (2) Department of Corrections employees who provide direct security and treatment services to offenders under supervision in the community;
- (3) employees of a facility for justice-involved youth; and
- (4) employees of the Vermont State Hospital or its successor in interest, who provide direct patient care.

\* \* \*

(c) In establishing any new ~~corrections~~ classified Department of Corrections or Department of Mental Health position on and after July 1, 2023, the Department of Human Resources shall

identify that position as eligible for either Group G, pursuant to the criteria set forth in subsection (a), or Group F.

\* \* \*

**Sec. 98** OTHER POSTEMPLOYMENT BENEFITS; GOVERNANCE

STRUCTURE; REPORT

(a) The Office of the State Treasurer, in consultation with the Vermont Pension Investment Commission and the Agency of Administration, shall produce a report that examines and makes recommendations on the governance structure of the two OPEB funds, other possible governance structures, and whether changes should be made to better align the governance structure with nature of the OPEB funds. In reviewing the governance structure, the report shall evaluate both the manner in which the funds are overseen, as well as the underlying section 115 trusts in which they are held. Specifically, the report shall address the following:

(1) the advantages and disadvantages of retaining the existing governance structure of the OPEB funds with the State Treasurer as sole trustee;

(2) alternative governance structures for the OPEB funds, the advantages and disadvantages of each alternative examined, and the steps and timeline required to implement each alternative; and

(3) to the extent possible, other issues relating to the OPEB funds identified as warranting study.

(b) Assistance. The Office of the State Treasurer shall have the administrative support of the Vermont Pension Investment Commission as well as the Agency of Administration in producing the report.

(c) Funding. \$100,000 is provided to the Office of the State Treasurer for this purpose in Sec. 45 of this act.

(d) Report. On or before January 15, 2024, the Treasurer shall submit a written report to the General Assembly with findings and recommendations.

#### **Sec. 99 CARRYFORWARD AUTHORITY**

(a) Notwithstanding any other provisions of law and subject to the approval of the Secretary of Administration, General, Transportation, Transportation Infrastructure Bond, Education Fund, Clean Water Fund (21932), and Agricultural Water Quality Fund (21933) appropriations remaining unexpended on June 30, 2023 in the Executive Branch ~~of State government~~ shall be carried forward and shall be designated for expenditure.

(b) Notwithstanding any other provisions of law, General Fund appropriations remaining unexpended on June 30, 2023 in the Legislative and Judicial Branches ~~of State government~~ shall be carried forward and shall be designated for expenditure.

**EXPLANATION: Annual language establishing administrative carryforward authority.**

#### **Sec. 100 EFFECTIVE DATES**

This act shall take effect upon passage ~~except, notwithstanding 1 V.S.A. § 214:~~

(1) ~~Sec. 71 of this act~~<sup>72</sup> (amending 2022 Acts and Resolves No. 183, Sec. 47(d)(3)) shall take effect retroactively on July 1, 2022 and apply retroactively to applications received on or after that date; and

(2) Sec. 82 of this act (amending 32 V.S.A. § 7811; imposition of tobacco products tax) shall take effect on July 1, 2023, except, notwithstanding 1 V.S.A. § 214, Sec. 82, that 32 V.S.A. § 7811(b)(1) (exemption for cannabis sold by dispensaries), that shall take effect retroactively on March 1, 2022

**EXPLANATION:** Establish effective ~~date~~ dates.