

Chairs,

First and most importantly, thank you all for your support and friendship during this fall. It has been trying and your friendship and support have meant a great deal.

As we discussed at the September chairs retreat, we have an opportunity to leave a legacy of a more inclusive and participatory process in the allocation of state resources. Developing the FY17 budget is sure to present difficult struggles.

We currently face many challenges — a competitive global economy, high rates of opiate addiction, and paying for our achieved goal of an enviably low uninsured rate, to name just a few. Given the myriad challenges and constrained resources, Vermonters need their government to be flexible and responsive. This is why we need a comprehensive understanding of how we currently allocate our state's resources.

The concept is for your committee to build a strong understanding of the activities and programs in your part of government, why we do them and how well we are doing them. This is an opportunity to ascertain whether activities and programs retain their relevance. Where you determine continued relevance, we then need to prioritize those activities. With that information, we will have a much better idea of what to invest in so that we can move Vermont forward.

I realize this is a significant departure from the way we have worked in the past. To get you started, Legislative Council is preparing an initial presentation for each of your committees that outlines the 9 statewide outcomes we passed in statute in 2013. They are:

- 1) Vermont has a prosperous economy
- 2) Vermonters are healthy
- 3) Vermont's environment is clean and sustainable
- 4) Vermont's communities are safe and supportive
- 5) Vermont's families are safe, nurturing, stable and supported
- 6) Vermont's children and young people achieve their potential

- 7) Vermont's elders, people with disabilities and people with mental conditions live with dignity and independence in settings they prefer.
- 8) Vermont has open, effective and inclusive government at the state and local levels
- 9) Vermont's infrastructure meets the needs of Vermonters, the economy and the environment.

I am asking you to dedicate time in your committee's schedule the first day to a discussion with legislative council on those high level outcomes, to decide which of those outcomes are most relevant to your committee's mission, and to review the existing indicators that measure our progress towards those outcomes.

The next step over the first couple of weeks is to invite your various agencies and departments to describe their programs: What do they do, how well do they do it, and why do they do it? For Committees with jurisdiction across many entities, start with what makes sense to you. You might choose the largest departments, the ones with the most controversy or red flags, or the ones that hold the most energy or interest in your committee. I trust your judgment.

The final step is to prioritize the programs and initiatives, along with any new ideas or bills, based on which investments and efforts will best drive the indicators in Step 1 towards the desired high-level outcomes. Rather than a ranked list of activities, I think it's better use of your time to prioritize into 3-4 broad buckets of 'most critical' (50-70%?), 'very important' (20-40%?), 'good to do' (5%?) and 'need to re-think or not do' (5%?).

Thanks in advance for the work that you will do this session. For all of us, this approach is different and, at times, it is likely that the approach will be uncomfortable. Nonetheless, it is essential to our effective representation. Knowing that there will be many questions, it is my hope that we can make this the central focus of the chairs' meeting [on Jan 6<sup>th</sup>](#).

Shap