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Per your request, here is some suggested language that might work for your budget memo. As we discussed, I understand that it is difficult for you to request additional funds; however, I would be remiss if I didn't reiterate that the Gross Receipts Tax is specifically meant to fund Low Income Weatherization, so raising that tax achieves our goal. A 0.5% increase in the GRT, excluding electricity from the increase should raise approximately \$3.5 million. The effect on a household that uses 700 gallons of heating oil @\$4/gallon would be about \$14/year IF the excise tax is passed through to the consumer.

All that said, here are some potential options for your budget memo:

**HOUSE HUMAN SERVICES' language from its budget memo:**

*While the Committee was asked only to address specific questions posed by the House Committee on Appropriations, it struggled deeply with many line items, one of which was the low-income weatherization program. The Committee would like to acknowledge the importance of this program and the long-term benefits it offers to Vermont families.*

**My Suggested Language for Senate Health and Welfare:**

**LOW INCOME WEATHERIZATION**

The Senate Health and Welfare Committee sees the Low Income Weatherization program as a funding priority, and believes the program should be funded at a level of \$12 million for FY16. We understand that the Governor's recommended budget "level funds" the state portion of this program, and we also recognize that this level funding is a "down" for the program because of "one-time" funding that has been available for the past several years (first ARRA funds and then CVPS-GMP merger funds). Although the program was not promised continued funding, we have set policy priorities that require this funding level to continue. These priorities include the goal of weatherizing 20,000 low-income homes by 2020. We are still more than 10,000 "units" short of this goal. Additionally, a recent report from the Vermont Law School's Institute for Energy and the Environment found that approximately 125,000 (1 in 5) Vermonters are living in "fuel poverty" – paying more than 10% of their income for energy expenses. Our Low Income Weatherization program is the best use of funding targeted toward dealing with this strain on the budgets of low-income households. Additionally, we know that for every \$1.00 invested in weatherization, \$2.51 is returned to the household and the community in energy savings.

REQUEST: \$12 million total funding for Low-Income Weatherization program for FY16.

SUGGESTION: Raise the Gross Receipts Tax to 1% (from its current level of 0.5%), with the additional 0.5% to exclude electricity.

Thank you for your consideration of this request and for your ongoing commitment to ensuring that vulnerable Vermonters get the services they need. Please let me know if you need any additional information.