

H.492, as introduced
Sec.-by-Sec. Summary
Fiscal Year 2016–2017 Capital Budget

Sec. 1. *Legislative Intent.* Sets out the two-year capital budgeting process

- Appropriates no more than \$85,363,028.00 in the first year of biennium, and the rest of \$158,659,861.00 of funds authorized is appropriated in the second year of the biennium.
- Sets out that there will be a Capital Budget Adjustment bill in FY 2017.
- FY 2016 appropriations are subject to budget adjustment unless otherwise indicated.

Secs. 2–18. *Appropriations.* Appropriates funds for capital construction projects. Specific appropriations are shown in the accompanying spreadsheet.

- Sec. 2. (State Buildings)
 - Appropriates to the Department of Buildings and General Services (BGS) \$75,347,537.00 over FY 16 and FY 17 to repair and upgrade State buildings.
 - Appropriates \$19,431,385.00 to the Agency of Agriculture, Food and Markets' and Agency of Natural Resources' laboratory over FY 16 and FY 17.
 - *Related Section:* Section 23 authorizes BGS to enter into a ground lease or similar legal instrument with the Vermont Technical College for the laboratory.
 - Appropriates \$4,129,086.00 over FY 16 and 17 to the Southern State Correctional Facility for steamline replacement and copper waterline replacement and project-related costs.
 - Appropriates \$19,151,826.00 in FY 16 to the Waterbury State Office Complex for restoration and project-related costs.
 - Appropriates \$60,000.00 in FY 16 for a State House security and safety protocol.
- Sec. 3. (Administration)
 - Appropriates \$250,000.00 over FY 16 and FY 17 to the Department of Taxes for the VT Center for Geographic Information to continue to update the State tax map through digital technology.
 - Appropriates \$14,688,000.00 over FY 16 and FY 17 to the Department of Finance and Management for the ERP expansion project, and appropriates \$8,000,000.00 over FY 16 and FY 17 to the Agency of Health and Human Services for the Health and Human Services Enterprise IT System.

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- *Related Sections:*
 - Sec. 33 directs the Chief Information Officer to conduct a cost-benefit analysis of the State's legacy mainframe system.
 - Sec. 34 directs the Executive Branch to transfer one vacant position to the JFO for a two-year staff position, or directs JFO to hire a consultant, to conduct independent reviews of State IT projects and operations for the General Assembly. Also requires the Secretary of Administration and the Chief Information Officer to provide JFO with access to the reviews conducted by Independent Verification and Validation firms hired to evaluate the State's IT projects in a confidential and secure manner.
- Sec. 4. (Human Services) appropriates to \$500,000.00 to BGS over FY 16 and FY 17 for the Agency of Human Services for various corrections projects.
- Sec. 5. (Judiciary)
 - Appropriates \$5,200,000.00 in FY 16 to BGS for the Judiciary for building renovations at the Lamoille County Courthouse, and \$180,000.000 in FY 16 for ADA compliance at county courthouses.
 - *Related Section:* Sec. 35 requires BGS and the Lamoille County side judges, in consultation with the Judiciary, to enter into an MOU regarding the construction, operation, and maintenance of the Lamoille County courthouse. Also requires the Judiciary and the Lamoille County side judges to enter into an operating agreement regarding the internal functions and use of space within the courthouse.
 - Appropriates \$200,000.00 over FY 16 and 17 to the Judiciary for statewide security systems and improvements.
- Sec. 6. (Commerce and Community Development)
 - Appropriates \$400,000.00 over FY 16 and FY 17 to perform major maintenance at State historic sites.
 - Appropriates \$90,000.00 over FY 16 and FY 17 to preserve underwater historic sites and provide roadside historic markers.
 - Appropriates \$168,000.00 over FY 16 and 17 for repairs at the Bennington Monument.
 - Appropriates \$30,000.00 in FY 16 for the unmarked burial fund.
- Sec. 7. (Grant Programs) appropriates over FY 16 and FY 17 \$2,800,000.00 to the Building Communities Grants Programs and the Agricultural Fairs Capital Projects Facilities Competitive Grant Program.

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- Sec. 8. (Education)
 - Appropriates \$3,975,500.00 in FY 16 to complete the State's share of school construction.
 - *Related Section:* Sec. 32 directs the House Committees on Corrections and Institutions and on Education, and the Senate Committees on Education and on Institutions to develop a plan to evaluate strategically the statutory process set forth in 16 V.S.A. § 3448 for awarding State aide for school construction.
 - Appropriates \$142,188.00 in FY 16 and FY 17 to the Agency of Education for emergency projects.
 - Appropriates \$300,000.00 in FY 17 to the Agency of Education for school district consolidation projects.
 - *Related Section:* Notwithstanding the suspension of State aid for school construction, Sec. 31 authorizes union schools districts, including REDs, and districts that enter into contracts to operate schools jointly to apply for aid to the Secretary of Education in FY 17.

- Sec. 9. (University of Vermont) appropriates \$2,800,000.00 over FY 16 and FY 17 for major maintenance.

- Sec. 10. (Vermont State Colleges)
 - Appropriates \$2,800,000.00 over FY 16 and FY 17 for major maintenance.
 - Appropriates \$1,000,000.00 in FY 17 for a challenge grant to be used to raise funds to upgrade the engineering technology laboratories at the Vermont Technical College.

- Sec. 11. (Natural Resources) appropriates \$25,674,601.00 over FY 16 and FY 17 to the Agency of Natural Resources for projects, including the State match to federal grants for water, dam maintenance, rehabilitation at State parks, interest and principal payments for the Pownal project and upgrades of a phosphorous removal facility in Waterbury.
 - *Related Sections:*
 - Sec. 37 authorizes the Secretary of Natural Resources to provide loan forgiveness for preliminary engineering and final design costs for loans awarded from the Vermont Drinking Water State Revolving Loan Fund, under certain circumstances.
 - Secs. 38–39 extends the term of a municipal loan used to acquire, design, plan, construct, enlarge, repair, or improve a publicly owned sewage system, sewage treatment or disposal plant, pollution control facility, water supply, water system, or solid waste handling and disposal facility, or certain privately owned wastewater systems from 20 to 30 years.

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- Sec. 12. (Military)
 - Appropriates \$1,500,000.00 over FY 16 and FY 17 for maintenance and renovations at State armories, including roof projects, design and construction of locker space, ADA compliance, bathroom upgrades, and necessary site work and paving projects.
 - Appropriates \$21,624.00 in FY 16 for agricultural mitigation for the cemetery expansion project.
 - *Related section:* Sec. 36 authorizes the Department of Military to accept federal grants, gifts, or donations to support the cemetery expansion project at the Vermont Veterans' Memorial Cemetery.
- Sec. 13. (Public Safety) appropriates \$300,000.00 in FY 16 to BGS for the State's share of the new burn building at the Vermont Fire Academy.
- Sec. 14. (Agriculture, Food and Markets)
 - Appropriates \$3,552,412.00 over FY 16 and FY 17 to the Agency of Agriculture, Food and Markets for the best management practice implementation cost share program and the conservation reserve enhancement program.
 - Appropriates \$315,000.00 over FY 16 and FY 17 for building upgrades to the Vermont Exposition Center Building.
- Sec. 15. (Vermont Rural Fire Protection) appropriates \$250,000.00 over FY 14 and FY 17 to the Department of Public Safety for the dry hydrant program.
- Sec. 16. (Vermont Veterans' Home) appropriates \$500,000.00 in FY 16 to the Veterans' Home for an electronic medical records system, and requires that the funds only become available once the Veterans' Home notifies the Chairs of the House Committee on Institutions and the Senate Committee on Institutions, and the Commissioner of Finance and Management, that the system is in compliance with 18 V.S.A. § 9352(i).
- Sec. 17. (Vermont Historical Society) appropriates \$75,000.00 in FY 16 to the Vermont Historical Society for a matching grant to reduce debt at the Vermont History Center in Barre.
- Sec. 18. (Vermont Housing and Conservation Board)
 - Appropriates \$4,800,000.00 in FY 16 to the Vermont Housing Conservation Board for housing development and conservation projects. Also expresses the General Assembly's intent that priority is given to conservation projects that improve water quality in the State and at least \$1,500,000.00 is used for these projects.

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- Appropriates in FY 17 \$1,000,000.00 for statewide water quality and improvement projects and \$1,800,000.00 for housing projects.

Sec. 19. *Reallocations.* Reallocates \$3,100,765.08 in funds that were realized from the sale of State properties, transferred from special funds or authorized in former capital bills but never spent.

Sec. 20. *General Obligation Bonds and Appropriations.* Authorizes the State Treasurer to issue general obligation bonds in the amount of \$144,000,000.00 as recommended by the Capital Debt Affordability Advisory Committee for FY 16 and 17, and an additional \$11,559,096.05 in general obligation bonds authorized in 2014 but never issued.

Sec. 21. *Leasing Property; Fair Market Value.* Sets out the intent that any State-owned space in any State-owned building, structure, or other real property under the jurisdiction of the Commissioner of BGS that are in existence prior to the effective date of this act shall be renewed at fair market value by July 1, 2018.

Sec. 22. *Leasing Property; Windsor; Solar Project.* Authorizes the Commissioner of BGS to lease at fair market value any real property owned by the State for a solar project at the Southeast State Correctional Facility for a term not to exceed 35 years.

Sec. 23. *Agency of Agriculture, Food and Markets' and Agency of Natural Resources' Laboratory.* Authorizes BGS to enter into a ground lease or other similar legal instrument with the Vermont Technical College for the purpose of locating the Agency of Agriculture, Food and Markets' and Agency of Natural Resources' laboratory.

Sec. 24. *Amends 29 V.S.A. § 821(a) (Naming State Buildings).* Names the Agency of Agriculture, Food and Markets' and the Agency of Natural Resources' laboratory the "Vermont Agriculture and Environmental Laboratory."

Secs. 25–29. *Prevailing Wage.*

- Sec. 25. (Amends 29 V.S.A. § 161(b) (Requirements on State Construction Projects) amends the requirements for contracts awarded for construction projects funded in whole or in part by the capital construction act by requiring that construction employees are paid no less than the prevailing wage determinations made in accordance with the federal Davis-Bacon Act. Also authorizes the Commissioner of Labor, in consultation with the Commissioner of BGS to adopt rules to implement the section.

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- Sec. 26. (State Construction Projects; Contracts Subject to State Prevailing Wage) sets forth the contracts that remain subject to the Vermont prevailing wage determinations made by the Department of Labor, which include contracts for State construction projects executed prior to July 1, 2016, any change orders or amendments to contracts for State construction projects executed prior to July 1, 2016, and contracts for State construction projects that result from instructions to bidders posted by the State prior to July 1, 2016.
- Sec. 27. (Prevailing Wage; University of Vermont and Vermont State Colleges) requires the University of Vermont and the Vermont State Colleges to pay no less than prevailing wage determinations in accordance with the federal Davis-Bacon Act for any new construction or major renovation project that receives funding in any capital construction act.
- Sec. 28. (Prevailing Wage; Agency of Agriculture, Food and Markets' and Agency of Natural Resources' Laboratory) requires that the prevailing wage determinations for the construction of the Agency of Agriculture, Food and Markets' and Agency of Natural Resources' laboratory are in compliance with the requirements of 29 V.S.A. § 161(b).
- Sec. 29. (Prevailing Wage; Audits) directs the Commissioner of Labor, in consultation with the Commissioner of BGS, to conduct random audits of any contractor subject to 29 V.S.A. § 161(b) in sufficient number to ensure compliance with statutory requirements.

Sec. 30. *Amends 2014 Acts and Resolves No. 178, Sec. 1, amending 2013 Acts and Resolves No. 51, Sec. 2 (Secure Residential Facilities).* Amends the 2013 appropriation to BGS for the secure residential facilities by changing the use of funds to a proposal for siting only (and not for design).

Sec. 31. *State Aid for School Construction.* Notwithstanding the suspension of State aid for school construction, Sec. 31 authorizes union schools districts, including REDs, and districts that enter into contracts to operate schools jointly to apply for aid to the Secretary of Education in FY 17. Also clarifies that the amount of aid awarded shall be distributed among all approved applications based on the amount of funding available, but in no case shall any award exceed 30 percent of the approved cost of the project.

Sec. 32. *School Construction Aid Awards.* Directs the House Committees on Corrections and Institutions and on Education, and the Senate Committees on Education and on Institutions to develop a plan to evaluate strategically the statutory process set forth in 16 V.S.A. § 3448 for awarding State aid for school construction.

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Sec. 33. *Cost-Benefit Analysis; MainFrame.* Requires the Chief Information Officer to conduct a cost-benefit analysis of the State's legacy mainframe system, and report back to the House Committees on Appropriations, Corrections and Institutions, and on Government Operations, and the Senate Committees on Appropriations, on Institutions, and on Government Operations by December 1, 2015.

Sec. 34. *Information Technology Review.* Directs the Executive Branch to transfer one vacant position to the JFO for a two-year staff position, or directs JFO to hire a consultant, to conduct independent reviews of State IT projects and operations for the General Assembly. Also requires the Secretary of Administration and the Chief Information Officer to provide JFO with access to the reviews conducted by Independent Verification and Validation firms hired to evaluate the State's IT projects in a confidential and secure manner.

Sec. 35. *Lamoille County Courthouse; Memorandum of Understanding; Operating Agreement.* Requires BGS and the Lamoille County side judges, in consultation with the Judiciary, to enter into an MOU regarding the construction, operation, and maintenance of the Lamoille County courthouse. Also requires the Judiciary and the Lamoille County side judges to enter into an operating agreement regarding the internal functions and use of space within the courthouse.

Sec. 36. *Department of Military; Cemetery Expansion Project.* Authorizes the Department of Military to accept federal grants, gifts, or donations to support the cemetery expansion project at the Vermont Veterans' Memorial Cemetery.

Secs. 37–39. *Drinking Water.*

- Sec. 37 (Amends 24 V.S.A. § 4753a(e)) authorizes the Secretary of Natural Resources to provide loan forgiveness for preliminary engineering and final design costs for loans awarded from the Vermont Drinking Water State Revolving Loan Fund, under certain circumstances.
- Secs. 38–39 (Amends 24 V.S.A. § 4755(a) and 24 V.S.A. § 4756) extends the term of a municipal loan used to acquire, design, plan, construct, enlarge, repair or improve a publicly owned sewage system, sewage treatment or disposal plant, pollution control facility, water supply, water system, or solid waste handling and disposal facility, or certain privately owned wastewater systems from 20 to 30 years.

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Secs. 40–43. *Robert H. Wood, Jr. Criminal Justice and Fire Service Training Center.*

- Sec. 40. (Training Center; Findings; Purpose and Intent) sets forth the multiple agencies that use the Training Center and the purpose of creating a committee to govern access to and use of the Training Center. Also provides that the new governance committee shall not have jurisdiction over any training content provided at the Training Center.
- Sec. 41. (Adds 29 V.S.A. chapter 19) creates an eight-member governance committee for the Robert H. Wood Criminal Justice and Fire Service Training Center.
- Sec. 42 (Initial Meeting of Governance Committee; Transitional Provision) authorizes the Commissioner of BGS to call the initial meeting of the governance committee and sets forth the Training Center’s responsibilities after the initial meeting to assist with transitioning to the new model.
- Sec. 43. (Training Center Governance Committee; Report) requires the governance committee to submit a report to the General Assembly regarding the operation of its powers and duties, and to recommend any further legislative action, by February 1, 2016.

Sec. 44. *State House Security.*

- Authorizes the Capitol Complex Security Working Group to retain consultant services to create a security and safety protocol and conduct trainings for the State House and One Baldwin Street.
- Authorizes the JFO to hire the consultants and use funds appropriated in Sec. 2(b)(21) and remaining funds from 2014 Acts and Resolves No. 178, Sec. 1, to make payment to the consultants.

Sec. 45. *Effective Date.*

- The act takes effect on passage.