

1 SPECIAL SESSION

2 H.13

3 Introduced by Committee on Appropriations

4 Date:

5 Subject: Fiscal year 2019 budget

6 Statement of purpose of bill as introduced: This bill proposes to make
7 appropriations in support of government for the fiscal year beginning on
8 July 1, 2018.

9 An act relating to making appropriations for the support of government

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

11 Sec. A.100 SHORT TITLE

12 (a) This bill may be referred to as the BIG BILL – Fiscal Year 2019
13 Appropriations Act.

14 Sec. A.101 PURPOSE

15 (a) The purpose of this act is to provide appropriations for the operations of
16 State government during fiscal year 2019. It is the express intent of the
17 General Assembly that activities of the various agencies, departments,
18 divisions, boards, and commissions be limited to those which can be supported
19 by funds appropriated in this act or other acts passed prior to June 30, 2018.

1 Agency and department heads are directed to implement staffing and service
2 levels at the beginning of fiscal year 2019 so as to meet this condition unless
3 otherwise directed by specific language in this act or other acts of the General
4 Assembly.

5 Sec. A.102 APPROPRIATIONS

6 (a) It is the intent of the General Assembly that this act serves as the
7 primary source and reference for appropriations for fiscal year 2019.

8 (b) The sums herein stated are appropriated for the purposes specified in
9 the following sections of this act. When no time is expressly stated during
10 which any of the appropriations are to continue, the appropriations are single-
11 year appropriations and only for the purpose indicated and shall be paid from
12 funds shown as the source of funds. If in this act there is an error in either
13 addition or subtraction, the totals shall be adjusted accordingly. Apparent
14 errors in referring to section numbers of statutory titles within this act may be
15 disregarded by the Commissioner of Finance and Management.

16 (c) Unless codified or otherwise specified, all narrative portions of this act
17 apply only to the fiscal year ending on June 30, 2019.

18 Sec. A.103 DEFINITIONS

19 (a) As used in this act:

20 (1) “Encumbrances” means a portion of an appropriation reserved for
21 the subsequent payment of existing purchase orders or contracts. The

1 Commissioner of Finance and Management shall make final decisions on the
2 appropriateness of encumbrances.

3 (2) “Grants” means subsidies, aid, or payments to local governments, to
4 community and quasi-public agencies for providing local services, and to
5 persons who are not wards of the State for services or supplies and means cash
6 or other direct assistance, including pension contributions.

7 (3) “Operating expenses” means property management, repair and
8 maintenance, rental expenses, insurance, postage, travel, energy and utilities,
9 office and other supplies, equipment, including motor vehicles, highway
10 materials, and construction, expenditures for the purchase of land and
11 construction of new buildings and permanent improvements, and similar items.

12 (4) “Personal services” means wages and salaries, fringe benefits, per
13 diems, contracted third-party services, and similar items.

14 Sec. A.104 RELATIONSHIP TO EXISTING LAWS

15 (a) Except as specifically provided, this act shall not be construed in any
16 way to negate or impair the full force and effect of existing laws.

17 Sec. A.105 OFFSETTING APPROPRIATIONS

18 (a) In the absence of specific provisions to the contrary in this act, when
19 total appropriations are offset by estimated receipts, the State appropriations
20 shall control, notwithstanding receipts being greater or less than anticipated.

21 Sec. A.106 FEDERAL FUNDS

1 (a) In fiscal year 2019, the Governor, with the approval of the Legislature
2 or the Joint Fiscal Committee if the Legislature is not in session, may accept
3 federal funds available to the State of Vermont, including block grants in lieu
4 of or in addition to funds herein designated as federal. The Governor, with the
5 approval of the Legislature or the Joint Fiscal Committee if the Legislature is
6 not in session, may allocate all or any portion of such federal funds for any
7 purpose consistent with the purposes for which the basic appropriations in this
8 act have been made.

9 (b) If, during fiscal year 2019, federal funds available to the State of
10 Vermont and designated as federal in this and other acts of the 2018 session of
11 the Vermont General Assembly are converted into block grants or are
12 abolished under their current title in federal law and reestablished under a new
13 title in federal law, the Governor may continue to accept such federal funds for
14 any purpose consistent with the purposes for which the federal funds were
15 appropriated. The Governor may spend such funds for such purposes for no
16 more than 45 days prior to Legislative or Joint Fiscal Committee approval.
17 Notice shall be given to the Joint Fiscal Committee without delay if the
18 Governor intends to use the authority granted by this section, and the Joint
19 Fiscal Committee shall meet in an expedited manner to review the Governor's
20 request for approval.

21 Sec. A.107 NEW POSITIONS

1 (a) Notwithstanding any other provision of law, the total number of
2 authorized State positions, both classified and exempt, excluding temporary
3 positions as defined in 3 V.S.A. § 311(11), shall not be increased during fiscal
4 year 2019 except for new positions authorized by the 2018 session. Limited
5 service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this
6 restriction, nor shall positions created pursuant to the Position Pilot Program
7 authorized in 2014 Acts and Resolves No. 179, Sec. E.100(d), as amended by
8 2015 Acts and Resolves No. 4, Sec. 74, by 2016 Acts and Resolves No. 172,
9 Sec. E.100.2, and by 2017 Acts and Resolves No. 85, Sec. E.100.1, and as
10 further amended by Sec. E.100.1 of this act.

11 Sec. A.108 LEGEND

12 (a) The bill is organized by functions of government. The sections
13 between B.100 and B.9999 contain appropriations of funds for the upcoming
14 budget year. The sections between E.100 and E.9999 contain language that
15 relates to specific appropriations or government functions, or both. The
16 function areas by section numbers are as follows:

17 <u>B.100–B.199 and E.100–E.199</u>	<u>General Government</u>
18 <u>B.200–B.299 and E.200–E.299</u>	<u>Protection to Persons and Property</u>
19 <u>B.300–B.399 and E.300–E.399</u>	<u>Human Services</u>
20 <u>B.400–B.499 and E.400–E.499</u>	<u>Labor</u>
21 <u>B.500–B.599 and E.500–E.599</u>	<u>General Education</u>

1	<u>B.600–B.699 and E.600–E.699</u>	<u>Higher Education</u>
2	<u>B.700–B.799 and E.700–E.799</u>	<u>Natural Resources</u>
3	<u>B.800–B.899 and E.800–E.899</u>	<u>Commerce and Community</u>
4		<u>Development</u>
5	<u>B.900–B.999 and E.900–E.999</u>	<u>Transportation</u>
6	<u>B.1000–B.1099 and E.1000–E.1099</u>	<u>Debt Service</u>
7	<u>B.1100–B.1199 and E.1100–E.1199</u>	<u>One-time and other appropriation</u>
8		<u>actions</u>

9 (b) The C sections contain any amendments to the current fiscal year, the
10 D sections contain fund transfers and reserve allocations for the upcoming
11 budget year, the F sections contain miscellaneous and technical statutory
12 corrections, and the H sections contain personal tax and revenue allocation
13 changes.

14 Sec. B.100 Secretary of administration - secretary's office

15	Personal services	783,191
16	Operating expenses	<u>203,429</u>
17	Total	986,620
18	Source of funds	
19	General fund	886,620
20	Special funds	<u>100,000</u>
21	Total	986,620

1	Sec. B.101 Secretary of administration - finance	
2	Personal services	1,144,274
3	Operating expenses	<u>135,457</u>
4	Total	1,279,731
5	Source of funds	
6	Interdepartmental transfers	<u>1,279,731</u>
7	Total	1,279,731
8	Sec. B.102 Secretary of administration - workers' compensation insurance	
9	Personal services	537,944
10	Operating expenses	<u>238,973</u>
11	Total	776,917
12	Source of funds	
13	Internal service funds	<u>776,917</u>
14	Total	776,917
15	Sec. B.103 Secretary of administration - general liability insurance	
16	Personal services	573,575
17	Operating expenses	<u>73,548</u>
18	Total	647,123
19	Source of funds	
20	Internal service funds	<u>647,123</u>
21	Total	647,123

1	Sec. B.104 Secretary of administration - all other insurance	
2	Personal services	22,982
3	Operating expenses	<u>16,066</u>
4	Total	39,048
5	Source of funds	
6	Internal service funds	<u>39,048</u>
7	Total	39,048
8	Sec. B.105 Agency of digital services - communications and information	
9	technology	
10	Personal services	47,776,877
11	Operating expenses	<u>21,008,573</u>
12	Total	68,785,450
13	Source of funds	
14	General fund	177,615
15	Special funds	383,700
16	Internal service funds	67,963,553
17	Interdepartmental transfers	<u>260,582</u>
18	Total	68,785,450
19	Sec. B.106 Finance and management - budget and management	
20	Personal services	1,404,712
21	Operating expenses	<u>202,070</u>

1	Total	1,606,782
2	Source of funds	
3	General fund	1,258,956
4	Internal service funds	<u>347,826</u>
5	Total	1,606,782
6	Sec. B.107 Finance and management - financial operations	
7	Personal services	2,156,558
8	Operating expenses	<u>654,972</u>
9	Total	2,811,530
10	Source of funds	
11	Internal service funds	<u>2,811,530</u>
12	Total	2,811,530
13	Sec. B.108 Human resources - operations	
14	Personal services	7,996,814
15	Operating expenses	<u>964,845</u>
16	Total	8,961,659
17	Source of funds	
18	General fund	1,940,451
19	Special funds	277,462
20	Internal service funds	6,206,438
21	Interdepartmental transfers	<u>537,308</u>

1	Total	8,961,659
2	Sec. B.108.1 Human resources - VTHR operations	
3	Personal services	1,742,267
4	Operating expenses	<u>826,247</u>
5	Total	2,568,514
6	Source of funds	
7	Internal service funds	<u>2,568,514</u>
8	Total	2,568,514
9	Sec. B.109 Human resources - employee benefits & wellness	
10	Personal services	1,086,810
11	Operating expenses	<u>588,021</u>
12	Total	1,674,831
13	Source of funds	
14	Internal service funds	<u>1,674,831</u>
15	Total	1,674,831
16	Sec. B.110 Libraries	
17	Personal services	1,896,316
18	Operating expenses	1,141,410
19	Grants	<u>246,453</u>
20	Total	3,284,179
21	Source of funds	

1	General fund	2,025,918
2	Special funds	97,571
3	Federal funds	1,064,162
4	Interdepartmental transfers	<u>96,528</u>
5	Total	3,284,179
6	Sec. B.111 Tax - administration/collection	
7	Personal services	13,739,129
8	Operating expenses	<u>6,661,305</u>
9	Total	20,400,434
10	Source of funds	
11	General fund	18,686,980
12	Special funds	1,570,888
13	Interdepartmental transfers	<u>142,566</u>
14	Total	20,400,434
15	Sec. B.112 Buildings and general services - administration	
16	Personal services	658,069
17	Operating expenses	<u>98,172</u>
18	Total	756,241
19	Source of funds	
20	Interdepartmental transfers	<u>756,241</u>
21	Total	756,241

1	Sec. B.113 Buildings and general services - engineering	
2	Personal services	2,580,949
3	Operating expenses	<u>851,576</u>
4	Total	3,432,525
5	Source of funds	
6	Interdepartmental transfers	<u>3,432,525</u>
7	Total	3,432,525
8	Sec. B.114 Buildings and general services - information centers	
9	Personal services	3,360,294
10	Operating expenses	1,566,365
11	Grants	<u>35,750</u>
12	Total	4,962,409
13	Source of funds	
14	General fund	642,885
15	Transportation fund	3,868,566
16	Special funds	<u>450,958</u>
17	Total	4,962,409
18	Sec. B.115 Buildings and general services - purchasing	
19	Personal services	1,035,471
20	Operating expenses	<u>194,860</u>
21	Total	1,230,331

1	Source of funds	
2	General fund	<u>1,230,331</u>
3	Total	1,230,331
4	Sec. B.116 Buildings and general services - postal services	
5	Personal services	744,615
6	Operating expenses	<u>116,495</u>
7	Total	861,110
8	Source of funds	
9	General fund	85,063
10	Internal service funds	<u>776,047</u>
11	Total	861,110
12	Sec. B.117 Buildings and general services - copy center	
13	Personal services	744,283
14	Operating expenses	<u>127,416</u>
15	Total	871,699
16	Source of funds	
17	Internal service funds	<u>871,699</u>
18	Total	871,699
19	Sec. B.118 Buildings and general services - fleet management services	
20	Personal services	698,806
21	Operating expenses	<u>234,969</u>

1	Total	933,775
2	Source of funds	
3	Internal service funds	<u>933,775</u>
4	Total	933,775
5	Sec. B.119 Buildings and general services - federal surplus property	
6	Personal services	20,052
7	Operating expenses	<u>6,239</u>
8	Total	26,291
9	Source of funds	
10	Enterprise funds	<u>26,291</u>
11	Total	26,291
12	Sec. B.120 Buildings and general services - state surplus property	
13	Personal services	160,360
14	Operating expenses	<u>110,630</u>
15	Total	270,990
16	Source of funds	
17	Internal service funds	<u>270,990</u>
18	Total	270,990
19	Sec. B.121 Buildings and general services - property management	
20	Personal services	1,197,164
21	Operating expenses	<u>457,316</u>

1	Total	1,654,480
2	Source of funds	
3	Internal service funds	<u>1,654,480</u>
4	Total	1,654,480
5	Sec. B.122 Buildings and general services - fee for space	
6	Personal services	16,277,217
7	Operating expenses	<u>13,710,792</u>
8	Total	29,988,009
9	Source of funds	
10	Internal service funds	<u>29,988,009</u>
11	Total	29,988,009
12	Sec. B.124 Executive office - governor's office	
13	Personal services	1,384,251
14	Operating expenses	<u>460,831</u>
15	Total	1,845,082
16	Source of funds	
17	General fund	1,658,582
18	Interdepartmental transfers	<u>186,500</u>
19	Total	1,845,082
20	Sec. B.125 Legislative council	
21	Personal services	4,063,930

1	Operating expenses	<u>827,857</u>
2	Total	4,891,787
3	Source of funds	
4	General fund	<u>4,891,787</u>
5	Total	4,891,787
6	Sec. B.126 Legislature	
7	Personal services	4,091,578
8	Operating expenses	<u>3,809,338</u>
9	Total	7,900,916
10	Source of funds	
11	General fund	<u>7,900,916</u>
12	Total	7,900,916
13	Sec. B.127 Joint fiscal committee	
14	Personal services	1,696,568
15	Operating expenses	<u>159,358</u>
16	Total	1,855,926
17	Source of funds	
18	General fund	<u>1,855,926</u>
19	Total	1,855,926
20	Sec. B.128 Sergeant at arms	
21	Personal services	737,216

1	Operating expenses	<u>68,612</u>
2	Total	805,828
3	Source of funds	
4	General fund	<u>805,828</u>
5	Total	805,828
6	Sec. B.129 Lieutenant governor	
7	Personal services	223,583
8	Operating expenses	<u>30,968</u>
9	Total	254,551
10	Source of funds	
11	General fund	<u>254,551</u>
12	Total	254,551
13	Sec. B.130 Auditor of accounts	
14	Personal services	3,343,827
15	Operating expenses	<u>158,619</u>
16	Total	3,502,446
17	Source of funds	
18	General fund	390,871
19	Special funds	53,145
20	Internal service funds	<u>3,058,430</u>
21	Total	3,502,446

1	Sec. B.131 State treasurer	
2	Personal services	3,653,014
3	Operating expenses	<u>211,031</u>
4	Total	3,864,045
5	Source of funds	
6	General fund	969,366
7	Special funds	2,781,017
8	Interdepartmental transfers	<u>113,662</u>
9	Total	3,864,045
10	Sec. B.132 State treasurer - unclaimed property	
11	Personal services	821,158
12	Operating expenses	<u>304,543</u>
13	Total	1,125,701
14	Source of funds	
15	Private purpose trust funds	<u>1,125,701</u>
16	Total	1,125,701
17	Sec. B.133 Vermont state retirement system	
18	Personal services	6,111,601
19	Operating expenses	<u>1,365,073</u>
20	Total	7,476,674
21	Source of funds	

1	Pension trust funds	<u>7,476,674</u>
2	Total	7,476,674
3	Sec. B.134 Municipal employees' retirement system	
4	Personal services	2,215,683
5	Operating expenses	<u>789,980</u>
6	Total	3,005,663
7	Source of funds	
8	Pension trust funds	<u>3,005,663</u>
9	Total	3,005,663
10	Sec. B.135 State labor relations board	
11	Personal services	212,663
12	Operating expenses	<u>48,378</u>
13	Total	261,041
14	Source of funds	
15	General fund	251,465
16	Special funds	6,788
17	Interdepartmental transfers	<u>2,788</u>
18	Total	261,041
19	Sec. B.136 VOSHA review board	
20	Personal services	75,650
21	Operating expenses	<u>13,016</u>

1	Total	88,666
2	Source of funds	
3	General fund	44,333
4	Interdepartmental transfers	<u>44,333</u>
5	Total	88,666
6	Sec. B.136.1 Ethics Commission	
7	Personal services	106,862
8	Operating expenses	<u>13,981</u>
9	Total	120,843
10	Source of funds	
11	Internal service funds	<u>120,843</u>
12	Total	120,843
13	Sec. B.137 Homeowner rebate	
14	Grants	<u>16,600,000</u>
15	Total	16,600,000
16	Source of funds	
17	General fund	<u>16,600,000</u>
18	Total	16,600,000
19	Sec. B.138 Renter rebate	
20	Grants	<u>10,500,000</u>
21	Total	10,500,000

1	Source of funds	
2	General fund	10,500,000
3	Education fund	<u>0</u>
4	Total	10,500,000
5	Sec. B.139 Tax department - reappraisal and listing payments	
6	Grants	<u>3,295,021</u>
7	Total	3,295,021
8	Source of funds	
9	General fund	3,295,021
10	Education fund	<u>0</u>
11	Total	3,295,021
12	Sec. B.140 Municipal current use	
13	Grants	<u>15,981,672</u>
14	Total	15,981,672
15	Source of funds	
16	General fund	<u>15,981,672</u>
17	Total	15,981,672
18	Sec. B.141 Lottery commission	
19	Personal services	1,881,368
20	Operating expenses	1,427,706
21	Grants	<u>100,000</u>

1	Total	3,409,074
2	Source of funds	
3	Enterprise funds	<u>3,409,074</u>
4	Total	3,409,074
5	Sec. B.142 Payments in lieu of taxes	
6	Grants	<u>8,036,000</u>
7	Total	8,036,000
8	Source of funds	
9	Special funds	<u>8,036,000</u>
10	Total	8,036,000
11	Sec. B.143 Payments in lieu of taxes - Montpelier	
12	Grants	<u>184,000</u>
13	Total	184,000
14	Source of funds	
15	Special funds	<u>184,000</u>
16	Total	184,000
17	Sec. B.144 Payments in lieu of taxes - correctional facilities	
18	Grants	<u>40,000</u>
19	Total	40,000
20	Source of funds	
21	Special funds	<u>40,000</u>

1	Total	40,000
2	Sec. B.145 Total general government	
3	Source of funds	
4	General fund	92,335,137
5	Transportation fund	3,868,566
6	Special funds	13,981,529
7	Education fund	0
8	Federal funds	1,064,162
9	Internal service funds	120,710,053
10	Interdepartmental transfers	6,852,764
11	Enterprise funds	3,435,365
12	Pension trust funds	10,482,337
13	Private purpose trust funds	<u>1,125,701</u>
14	Total	253,855,614
15	Sec. B.200 Attorney general	
16	Personal services	10,228,901
17	Operating expenses	1,423,414
18	Grants	<u>26,894</u>
19	Total	11,679,209
20	Source of funds	
21	General fund	5,206,635

1	Special funds	1,960,836
2	Tobacco fund	348,000
3	Federal funds	1,220,634
4	Interdepartmental transfers	<u>2,943,104</u>
5	Total	11,679,209
6	Sec. B.201 Vermont court diversion	
7	Personal services	874,000
8	Grants	<u>1,996,483</u>
9	Total	2,870,483
10	Source of funds	
11	General fund	2,270,486
12	Special funds	<u>599,997</u>
13	Total	2,870,483
14	Sec. B.202 Defender general - public defense	
15	Personal services	11,613,891
16	Operating expenses	<u>1,082,613</u>
17	Total	12,696,504
18	Source of funds	
19	General fund	12,106,851
20	Special funds	<u>589,653</u>
21	Total	12,696,504

1	Sec. B.203 Defender general - assigned counsel	
2	Personal services	5,679,410
3	Operating expenses	<u>49,819</u>
4	Total	5,729,229
5	Source of funds	
6	General fund	<u>5,729,229</u>
7	Total	5,729,229
8	Sec. B.204 Judiciary	
9	Personal services	40,424,989
10	Operating expenses	9,550,786
11	Grants	<u>76,030</u>
12	Total	50,051,805
13	Source of funds	
14	General fund	43,911,694
15	Special funds	3,174,315
16	Federal funds	640,524
17	Interdepartmental transfers	<u>2,325,272</u>
18	Total	50,051,805
19	Sec. B.205 State's attorneys	
20	Personal services	13,277,576
21	Operating expenses	<u>1,834,103</u>

1	Total	15,111,679
2	Source of funds	
3	General fund	12,291,761
4	Special funds	106,471
5	Federal funds	31,000
6	Interdepartmental transfers	<u>2,682,447</u>
7	Total	15,111,679
8	Sec. B.206 Special investigative unit	
9	Personal services	85,000
10	Operating expenses	1,100
11	Grants	<u>1,913,000</u>
12	Total	1,999,100
13	Source of funds	
14	General fund	<u>1,999,100</u>
15	Total	1,999,100
16	Sec. B.207 Sheriffs	
17	Personal services	4,111,739
18	Operating expenses	<u>395,623</u>
19	Total	4,507,362
20	Source of funds	
21	General fund	<u>4,507,362</u>

1	Total	4,507,362
2	Sec. B.208 Public safety - administration	
3	Personal services	2,686,370
4	Operating expenses	<u>2,992,157</u>
5	Total	5,678,527
6	Source of funds	
7	General fund	2,671,645
8	Special funds	5,000
9	Federal funds	263,124
10	Interdepartmental transfers	<u>2,738,758</u>
11	Total	5,678,527
12	Sec. B.209 Public safety - state police	
13	Personal services	54,187,733
14	Operating expenses	10,167,293
15	Grants	<u>1,356,805</u>
16	Total	65,711,831
17	Source of funds	
18	General fund	36,604,914
19	Transportation fund	20,250,000
20	Special funds	2,984,667
21	Federal funds	3,798,422

1	Interdepartmental transfers	<u>2,073,828</u>
2	Total	65,711,831
3	Sec. B.210 Public safety - criminal justice services	
4	Personal services	4,541,909
5	Operating expenses	3,505,387
6	Grants	<u>120,000</u>
7	Total	8,167,296
8	Source of funds	
9	General fund	4,302,246
10	Special funds	1,930,061
11	Federal funds	1,754,848
12	Interdepartmental transfers	<u>180,141</u>
13	Total	8,167,296
14	Sec. B.211 Public safety - emergency management	
15	Personal services	2,943,888
16	Operating expenses	1,351,913
17	Grants	<u>9,555,611</u>
18	Total	13,851,412
19	Source of funds	
20	General fund	421,265
21	Special funds	230,000

1	Federal funds	13,002,034
2	Interdepartmental transfers	<u>198,113</u>
3	Total	13,851,412
4	Sec. B.212 Public safety - fire safety	
5	Personal services	6,507,997
6	Operating expenses	3,372,767
7	Grants	<u>107,000</u>
8	Total	9,987,764
9	Source of funds	
10	General fund	399,264
11	Special funds	8,667,177
12	Federal funds	876,323
13	Interdepartmental transfers	<u>45,000</u>
14	Total	9,987,764
15	Sec. B.213 Public safety - Forensic Laboratory	
16	Personal services	2,979,721
17	Operating expenses	<u>1,345,832</u>
18	Total	4,325,553
19	Source of funds	
20	General fund	3,032,024
21	Special funds	94,238

1	Federal funds	414,702
2	Interdepartmental transfers	<u>784,589</u>
3	Total	4,325,553
4	Sec. B.215 Military - administration	
5	Personal services	780,557
6	Operating expenses	364,404
7	Grants	<u>324,000</u>
8	Total	1,468,961
9	Source of funds	
10	General fund	<u>1,468,961</u>
11	Total	1,468,961
12	Sec. B.216 Military - air service contract	
13	Personal services	5,849,570
14	Operating expenses	<u>892,643</u>
15	Total	6,742,213
16	Source of funds	
17	General fund	575,144
18	Federal funds	<u>6,167,069</u>
19	Total	6,742,213
20	Sec. B.217 Military - army service contract	
21	Personal services	7,823,655

1	Operating expenses	<u>6,155,064</u>
2	Total	13,978,719
3	Source of funds	
4	Federal funds	<u>13,978,719</u>
5	Total	13,978,719
6	Sec. B.218 Military - building maintenance	
7	Personal services	752,009
8	Operating expenses	<u>745,028</u>
9	Total	1,497,037
10	Source of funds	
11	General fund	1,437,037
12	Special funds	<u>60,000</u>
13	Total	1,497,037
14	Sec. B.219 Military - veterans' affairs	
15	Personal services	784,278
16	Operating expenses	169,972
17	Grants	<u>85,484</u>
18	Total	1,039,734
19	Source of funds	
20	General fund	799,724
21	Special funds	140,010

1	Federal funds	<u>100,000</u>
2	Total	1,039,734
3	Sec. B.220 Center for crime victim services	
4	Personal services	1,908,428
5	Operating expenses	345,834
6	Grants	<u>10,632,103</u>
7	Total	12,886,365
8	Source of funds	
9	General fund	1,264,158
10	Special funds	5,341,178
11	Federal funds	<u>6,281,029</u>
12	Total	12,886,365
13	Sec. B.221 Criminal justice training council	
14	Personal services	1,193,040
15	Operating expenses	<u>1,283,697</u>
16	Total	2,476,737
17	Source of funds	
18	General fund	2,355,582
19	Interdepartmental transfers	<u>121,155</u>
20	Total	2,476,737
21	Sec. B.222 Agriculture, food and markets - administration	

1	Personal services	1,419,565
2	Operating expenses	499,463
3	Grants	<u>272,972</u>
4	Total	2,192,000
5	Source of funds	
6	General fund	969,921
7	Special funds	809,473
8	Federal funds	<u>412,606</u>
9	Total	2,192,000
10	Sec. B.223 Agriculture, food and markets - food safety and consumer	
11	protection	
12	Personal services	4,228,755
13	Operating expenses	866,590
14	Grants	<u>2,750,000</u>
15	Total	7,845,345
16	Source of funds	
17	General fund	2,829,250
18	Special funds	3,743,410
19	Federal funds	1,265,685
20	Interdepartmental transfers	<u>7,000</u>
21	Total	7,845,345

1	Sec. B.224 Agriculture, food and markets - agricultural development	
2	Personal services	1,478,216
3	Operating expenses	1,045,214
4	Grants	<u>1,240,875</u>
5	Total	3,764,305
6	Source of funds	
7	General fund	1,920,068
8	Special funds	666,160
9	Federal funds	1,136,040
10	Interdepartmental transfers	<u>42,037</u>
11	Total	3,764,305
12	Sec. B.225 Agriculture, food and markets - agricultural resource management	
13	and environmental stewardship	
14	Personal services	2,047,494
15	Operating expenses	488,054
16	Grants	<u>140,000</u>
17	Total	2,675,548
18	Source of funds	
19	General fund	662,248
20	Special funds	1,515,661
21	Federal funds	397,224

1	Interdepartmental transfers	<u>100,415</u>
2	Total	2,675,548
3	Sec. B.225.1 Agriculture, food and markets - Vermont Agriculture and	
4	Environmental Lab	
5	Personal services	1,422,582
6	Operating expenses	<u>2,350,767</u>
7	Total	3,773,349
8	Source of funds	
9	General fund	857,420
10	Special funds	2,505,055
11	Federal funds	350,000
12	Interdepartmental transfers	<u>60,874</u>
13	Total	3,773,349
14	Sec. B.225.2 Agriculture, Food and Markets - Clean Water	
15	Personal services	2,460,376
16	Operating expenses	415,019
17	Grants	<u>1,707,000</u>
18	Total	4,582,395
19	Source of funds	
20	General fund	1,149,854
21	Special funds	3,145,906

1	Federal funds	48,812
2	Interdepartmental transfers	<u>237,823</u>
3	Total	4,582,395
4	Sec. B.226 Financial regulation - administration	
5	Personal services	1,848,070
6	Operating expenses	<u>394,685</u>
7	Total	2,242,755
8	Source of funds	
9	Special funds	<u>2,242,755</u>
10	Total	2,242,755
11	Sec. B.227 Financial regulation - banking	
12	Personal services	1,723,226
13	Operating expenses	<u>400,714</u>
14	Total	2,123,940
15	Source of funds	
16	Special funds	<u>2,123,940</u>
17	Total	2,123,940
18	Sec. B.228 Financial regulation - insurance	
19	Personal services	3,982,567
20	Operating expenses	<u>579,112</u>
21	Total	4,561,679

1	Source of funds	
2	Special funds	<u>4,561,679</u>
3	Total	4,561,679
4	Sec. B.229 Financial regulation - captive insurance	
5	Personal services	4,528,647
6	Operating expenses	<u>568,615</u>
7	Total	5,097,262
8	Source of funds	
9	Special funds	<u>5,097,262</u>
10	Total	5,097,262
11	Sec. B.230 Financial regulation - securities	
12	Personal services	884,305
13	Operating expenses	<u>191,805</u>
14	Total	1,076,110
15	Source of funds	
16	Special funds	<u>1,076,110</u>
17	Total	1,076,110
18	Sec. B.232 Secretary of state	
19	Personal services	9,247,500
20	Operating expenses	<u>2,501,529</u>
21	Total	11,749,029

1	Source of funds	
2	Special funds	10,453,613
3	Federal funds	1,220,416
4	Interdepartmental transfers	<u>75,000</u>
5	Total	11,749,029
6	Sec. B.233 Public service - regulation and energy	
7	Personal services	10,977,385
8	Operating expenses	1,818,966
9	Grants	<u>3,768,878</u>
10	Total	16,565,229
11	Source of funds	
12	Special funds	14,296,660
13	Federal funds	1,182,983
14	ARRA funds	1,010,000
15	Interdepartmental transfers	50,000
16	Enterprise funds	<u>25,586</u>
17	Total	16,565,229
18	Sec. B.234 Public utility commission	
19	Personal services	3,238,861
20	Operating expenses	<u>461,954</u>
21	Total	3,700,815

1	Source of funds	
2	Special funds	<u>3,700,815</u>
3	Total	3,700,815
4	Sec. B.235 Enhanced 9-1-1 Board	
5	Personal services	3,715,294
6	Operating expenses	395,889
7	Grants	<u>720,000</u>
8	Total	4,831,183
9	Source of funds	
10	Special funds	<u>4,831,183</u>
11	Total	4,831,183
12	Sec. B.236 Human rights commission	
13	Personal services	497,679
14	Operating expenses	<u>70,557</u>
15	Total	568,236
16	Source of funds	
17	General fund	492,122
18	Federal funds	<u>76,114</u>
19	Total	568,236
20	Sec. B.237 Liquor control - administration	
21	Personal services	5,751,696

1	Operating expenses	<u>970,391</u>
2	Total	6,722,087
3	Source of funds	
4	Enterprise funds	<u>6,722,087</u>
5	Total	6,722,087
6	Sec. B.238 Liquor control - enforcement and licensing	
7	Personal services	2,152,769
8	Operating expenses	<u>554,933</u>
9	Total	2,707,702
10	Source of funds	
11	Special funds	20,000
12	Tobacco fund	213,843
13	Federal funds	312,503
14	Interdepartmental transfers	16,300
15	Enterprise funds	<u>2,145,056</u>
16	Total	2,707,702
17	Sec. B.239 Liquor control - warehousing and distribution	
18	Personal services	1,020,365
19	Operating expenses	<u>495,462</u>
20	Total	1,515,827
21	Source of funds	

1	Enterprise funds	<u>1,515,827</u>
2	Total	1,515,827
3	Sec. B.240 Total protection to persons and property	
4	Source of funds	
5	General fund	152,235,965
6	Transportation fund	20,250,000
7	Special funds	86,673,285
8	Tobacco fund	561,843
9	Federal funds	54,930,811
10	ARRA funds	1,010,000
11	Interdepartmental transfers	14,681,856
12	Enterprise funds	<u>10,408,556</u>
13	Total	340,752,316
14	Sec. B.300 Human services - agency of human services - secretary's office	
15	Personal services	8,771,938
16	Operating expenses	11,443,486
17	Grants	<u>4,983,315</u>
18	Total	25,198,739
19	Source of funds	
20	General fund	7,387,754
21	Special funds	91,017

1	Federal funds	16,056,135
2	Global Commitment fund	453,000
3	Interdepartmental transfers	<u>1,210,833</u>
4	Total	25,198,739
5	Sec. B.301 Secretary's office - global commitment	
6	Operating expenses	3,156,749
7	Grants	<u>1,585,123,038</u>
8	Total	1,588,279,787
9	Source of funds	
10	General fund	283,423,430
11	Special funds	27,902,465
12	Tobacco fund	20,299,373
13	State health care resources fund	284,480,725
14	Federal funds	955,341,512
15	Interdepartmental transfers	<u>16,832,282</u>
16	Total	1,588,279,787
17	Sec. B.302 Rate setting	
18	Personal services	916,668
19	Operating expenses	<u>96,744</u>
20	Total	1,013,412
21	Source of funds	

1	General fund	506,706
2	Federal funds	<u>506,706</u>
3	Total	1,013,412
4	Sec. B.303 Developmental disabilities council	
5	Personal services	402,333
6	Operating expenses	71,003
7	Grants	<u>150,000</u>
8	Total	623,336
9	Source of funds	
10	Federal funds	<u>623,336</u>
11	Total	623,336
12	Sec. B.304 Human services board	
13	Personal services	703,725
14	Operating expenses	<u>83,296</u>
15	Total	787,021
16	Source of funds	
17	General fund	425,466
18	Federal funds	319,974
19	Interdepartmental transfers	<u>41,581</u>
20	Total	787,021
21	Sec. B.305 AHS - administrative fund	

1	Personal services	350,000
2	Operating expenses	<u>10,150,000</u>
3	Total	10,500,000
4	Source of funds	
5	Interdepartmental transfers	<u>10,500,000</u>
6	Total	10,500,000
7	Sec. B.306 Department of Vermont health access - administration	
8	Personal services	150,000,858
9	Operating expenses	5,878,419
10	Grants	<u>7,314,742</u>
11	Total	163,194,019
12	Source of funds	
13	General fund	26,674,061
14	Special funds	3,522,585
15	Federal funds	118,955,295
16	Global Commitment fund	6,795,089
17	Interdepartmental transfers	<u>7,246,989</u>
18	Total	163,194,019
19	Sec. B.307 Department of Vermont health access - Medicaid program - global	
20	commitment	
21	Grants	<u>730,388,202</u>

1	Total	730,388,202
2	Source of funds	
3	Global Commitment fund	<u>730,388,202</u>
4	Total	730,388,202
5	Sec. B.308 Department of Vermont health access - Medicaid program - long	
6	term care waiver	
7	Grants	<u>204,515,915</u>
8	Total	204,515,915
9	Source of funds	
10	Global Commitment fund	<u>204,515,915</u>
11	Total	204,515,915
12	Sec. B.309 Department of Vermont health access - Medicaid program - state	
13	only	
14	Grants	<u>47,955,940</u>
15	Total	47,955,940
16	Source of funds	
17	General fund	39,074,163
18	Global Commitment fund	<u>8,881,777</u>
19	Total	47,955,940
20	Sec. B.310 Department of Vermont health access - Medicaid non-waiver	
21	matched	

1	Grants	<u>31,345,248</u>
2	Total	31,345,248
3	Source of funds	
4	General fund	11,400,406
5	Federal funds	<u>19,944,842</u>
6	Total	31,345,248
7	Sec. B.311 Health - administration and support	
8	Personal services	5,369,099
9	Operating expenses	5,125,954
10	Grants	<u>4,065,000</u>
11	Total	14,560,053
12	Source of funds	
13	General fund	2,756,570
14	Special funds	1,737,815
15	Federal funds	6,577,531
16	Global Commitment fund	3,443,137
17	Interdepartmental transfers	<u>45,000</u>
18	Total	14,560,053
19	Sec. B.312 Health - public health	
20	Personal services	42,670,151
21	Operating expenses	8,262,008

1	Grants	<u>36,443,759</u>
2	Total	87,375,918
3	Source of funds	
4	General fund	9,483,976
5	Special funds	17,368,655
6	Tobacco fund	1,088,918
7	Federal funds	45,853,114
8	Global Commitment fund	12,436,255
9	Interdepartmental transfers	1,120,000
10	Permanent trust funds	<u>25,000</u>
11	Total	87,375,918
12	Sec. B.313 Health - alcohol and drug abuse programs	
13	Personal services	4,228,751
14	Operating expenses	255,634
15	Grants	<u>49,572,962</u>
16	Total	54,057,347
17	Source of funds	
18	General fund	2,468,452
19	Special funds	1,163,962
20	Tobacco fund	949,917
21	Federal funds	14,495,543

1	Global Commitment fund	<u>34,979,473</u>
2	Total	54,057,347
3	Sec. B.314 Mental health - mental health	
4	Personal services	30,983,975
5	Operating expenses	3,754,146
6	Grants	<u>208,515,176</u>
7	Total	243,253,297
8	Source of funds	
9	General fund	6,131,693
10	Special funds	434,904
11	Federal funds	8,782,053
12	Global Commitment fund	227,884,647
13	Interdepartmental transfers	<u>20,000</u>
14	Total	243,253,297
15	Sec. B.316 Department for children and families - administration & support	
16	services	
17	Personal services	39,883,238
18	Operating expenses	11,312,882
19	Grants	<u>3,019,141</u>
20	Total	54,215,261
21	Source of funds	

1	General fund	26,574,313
2	Special funds	2,591,557
3	Federal funds	22,956,549
4	Global Commitment fund	1,875,508
5	Interdepartmental transfers	<u>217,334</u>
6	Total	54,215,261
7	Sec. B.317 Department for children and families - family services	
8	Personal services	33,519,525
9	Operating expenses	4,951,233
10	Grants	<u>75,193,282</u>
11	Total	113,664,040
12	Source of funds	
13	General fund	36,682,377
14	Special funds	967,587
15	Federal funds	27,125,458
16	Global Commitment fund	48,754,229
17	Interdepartmental transfers	<u>134,389</u>
18	Total	113,664,040
19	Sec. B.318 Department for children and families - child development	
20	Personal services	4,373,097
21	Operating expenses	666,405

1	Grants	<u>78,641,229</u>
2	Total	83,680,731
3	Source of funds	
4	General fund	33,309,452
5	Special funds	1,820,000
6	Federal funds	37,067,384
7	Global Commitment fund	<u>11,483,895</u>
8	Total	83,680,731
9	Sec. B.319 Department for children and families - office of child support	
10	Personal services	10,358,904
11	Operating expenses	<u>3,664,980</u>
12	Total	14,023,884
13	Source of funds	
14	General fund	3,811,164
15	Special funds	455,719
16	Federal funds	9,369,401
17	Interdepartmental transfers	<u>387,600</u>
18	Total	14,023,884
19	Sec. B.320 Department for children and families - aid to aged, blind and	
20	disabled	
21	Personal services	2,252,206

1	Grants	<u>11,298,023</u>
2	Total	13,550,229
3	Source of funds	
4	General fund	9,649,899
5	Global Commitment fund	<u>3,900,330</u>
6	Total	13,550,229
7	Sec. B.321 Department for children and families - general assistance	
8	Personal services	15,000
9	Grants	<u>6,912,360</u>
10	Total	6,927,360
11	Source of funds	
12	General fund	6,530,025
13	Federal funds	111,320
14	Global Commitment fund	<u>286,015</u>
15	Total	6,927,360
16	Sec. B.322 Department for children and families - 3SquaresVT	
17	Grants	<u>29,827,906</u>
18	Total	29,827,906
19	Source of funds	
20	Federal funds	<u>29,827,906</u>
21	Total	29,827,906

1	Sec. B.323 Department for children and families - reach up	
2	Operating expenses	51,519
3	Grants	<u>32,420,849</u>
4	Total	32,472,368
5	Source of funds	
6	General fund	6,423,546
7	Special funds	21,024,984
8	Federal funds	2,342,220
9	Global Commitment fund	<u>2,681,618</u>
10	Total	32,472,368
11	Sec. B.324 Department for children and families - home heating fuel	
12	assistance/LIHEAP	
13	Grants	<u>15,019,953</u>
14	Total	15,019,953
15	Source of funds	
16	Special funds	1,434,217
17	Federal funds	<u>13,585,736</u>
18	Total	15,019,953
19	Sec. B.325 Department for children and families - office of economic	
20	opportunity	
21	Personal services	496,450

1	Operating expenses	43,133
2	Grants	<u>9,610,253</u>
3	Total	10,149,836
4	Source of funds	
5	General fund	4,767,340
6	Special funds	57,990
7	Federal funds	4,494,818
8	Global Commitment fund	<u>829,688</u>
9	Total	10,149,836
10	Sec. B.326 Department for children and families - OEO - weatherization	
11	assistance	
12	Personal services	321,661
13	Operating expenses	43,448
14	Grants	<u>10,554,220</u>
15	Total	10,919,329
16	Source of funds	
17	Special funds	6,325,418
18	Federal funds	<u>4,593,911</u>
19	Total	10,919,329
20	Sec. B.327 Department for children and families - Woodside rehabilitation	
21	center	

1	Personal services	5,478,901
2	Operating expenses	<u>717,907</u>
3	Total	6,196,808
4	Source of funds	
5	General fund	1,134,164
6	Global Commitment fund	4,965,644
7	Interdepartmental transfers	<u>97,000</u>
8	Total	6,196,808
9	Sec. B.328 Department for children and families - disability determination	
10	services	
11	Personal services	5,978,035
12	Operating expenses	<u>411,111</u>
13	Total	6,389,146
14	Source of funds	
15	General fund	103,081
16	Federal funds	<u>6,286,065</u>
17	Total	6,389,146
18	Sec. B.329 Disabilities, aging, and independent living - administration &	
19	support	
20	Personal services	31,585,910
21	Operating expenses	<u>5,477,387</u>

1	Total	37,063,297
2	Source of funds	
3	General fund	16,304,973
4	Special funds	1,390,457
5	Federal funds	18,301,583
6	Interdepartmental transfers	<u>1,066,284</u>
7	Total	37,063,297
8	Sec. B.330 Disabilities, aging, and independent living - advocacy and	
9	independent living grants	
10	Grants	<u>20,067,904</u>
11	Total	20,067,904
12	Source of funds	
13	General fund	7,553,375
14	Federal funds	7,148,466
15	Global Commitment fund	<u>5,366,063</u>
16	Total	20,067,904
17	Sec. B.331 Disabilities, aging, and independent living - blind and visually	
18	impaired	
19	Grants	<u>1,451,457</u>
20	Total	1,451,457
21	Source of funds	

1	General fund	389,154
2	Special funds	223,450
3	Federal funds	593,853
4	Global Commitment fund	<u>245,000</u>
5	Total	1,451,457
6	Sec. B.332 Disabilities, aging, and independent living - vocational	
7	rehabilitation	
8	Grants	<u>7,174,368</u>
9	Total	7,174,368
10	Source of funds	
11	General fund	1,371,845
12	Federal funds	4,552,523
13	Interdepartmental transfers	<u>1,250,000</u>
14	Total	7,174,368
15	Sec. B.333 Disabilities, aging, and independent living - developmental	
16	services	
17	Grants	<u>221,097,985</u>
18	Total	221,097,985
19	Source of funds	
20	General fund	155,125
21	Special funds	15,463

1	Federal funds	359,857
2	Global Commitment fund	220,522,540
3	Interdepartmental transfers	<u>45,000</u>
4	Total	221,097,985
5	Sec. B.334 Disabilities, aging, and independent living - TBI home and	
6	community based waiver	
7	Grants	<u>6,005,225</u>
8	Total	6,005,225
9	Source of funds	
10	Global Commitment fund	<u>6,005,225</u>
11	Total	6,005,225
12	Sec. B.335 Corrections - administration	
13	Personal services	2,947,820
14	Operating expenses	<u>238,644</u>
15	Total	3,186,464
16	Source of funds	
17	General fund	<u>3,186,464</u>
18	Total	3,186,464
19	Sec. B.336 Corrections - parole board	
20	Personal services	300,845
21	Operating expenses	<u>81,081</u>

1	Total	381,926
2	Source of funds	
3	General fund	<u>381,926</u>
4	Total	381,926
5	Sec. B.337 Corrections - correctional education	
6	Personal services	3,172,318
7	Operating expenses	<u>244,932</u>
8	Total	3,417,250
9	Source of funds	
10	General fund	3,268,466
11	Education fund	0
12	Interdepartmental transfers	<u>148,784</u>
13	Total	3,417,250
14	Sec. B.338 Corrections - correctional services	
15	Personal services	109,065,960
16	Operating expenses	21,128,473
17	Grants	<u>9,163,138</u>
18	Total	139,357,571
19	Source of funds	
20	General fund	132,472,462
21	Special funds	629,963

1	Federal funds	470,962
2	Global Commitment fund	5,387,869
3	Interdepartmental transfers	<u>396,315</u>
4	Total	139,357,571
5	Sec. B.339 Corrections - Correctional services-out of state beds	
6	Personal services	<u>7,351,324</u>
7	Total	7,351,324
8	Source of funds	
9	General fund	<u>7,351,324</u>
10	Total	7,351,324
11	Sec. B.340 Corrections - correctional facilities - recreation	
12	Personal services	406,528
13	Operating expenses	<u>455,845</u>
14	Total	862,373
15	Source of funds	
16	Special funds	<u>862,373</u>
17	Total	862,373
18	Sec. B.341 Corrections - Vermont offender work program	
19	Personal services	1,447,800
20	Operating expenses	<u>525,784</u>
21	Total	1,973,584

1	Source of funds	
2	Internal service funds	<u>1,973,584</u>
3	Total	1,973,584
4	Sec. B.342 Vermont veterans' home - care and support services	
5	Personal services	18,756,245
6	Operating expenses	<u>4,949,905</u>
7	Total	23,706,150
8	Source of funds	
9	General fund	3,998,789
10	Special funds	11,281,346
11	Federal funds	<u>8,426,015</u>
12	Total	23,706,150
13	Sec. B.343 Commission on women	
14	Personal services	316,110
15	Operating expenses	<u>67,352</u>
16	Total	383,462
17	Source of funds	
18	General fund	380,962
19	Special funds	<u>2,500</u>
20	Total	383,462
21	Sec. B.344 Retired senior volunteer program	

1	Grants	<u>151,096</u>
2	Total	151,096
3	Source of funds	
4	General fund	<u>151,096</u>
5	Total	151,096
6	Sec. B.345 Green Mountain Care Board	
7	Personal services	7,702,068
8	Operating expenses	<u>342,708</u>
9	Total	8,044,776
10	Source of funds	
11	General fund	2,032,469
12	Special funds	3,446,789
13	Federal funds	70,000
14	Global Commitment fund	<u>2,495,518</u>
15	Total	8,044,776
16	Sec. B.346 Total human services	
17	Source of funds	
18	General fund	697,716,468
19	Special funds	104,751,216
20	Tobacco fund	22,338,208
21	State health care resources fund	284,480,725

1	Education fund	0
2	Federal funds	1,385,140,068
3	Global Commitment fund	1,544,576,637
4	Internal service funds	1,973,584
5	Interdepartmental transfers	40,759,391
6	Permanent trust funds	<u>25,000</u>
7	Total	4,081,761,297
8	Sec. B.400 Labor - programs	
9	Personal services	29,773,882
10	Operating expenses	9,518,580
11	Grants	<u>1,876,867</u>
12	Total	41,169,329
13	Source of funds	
14	General fund	2,980,386
15	Special funds	3,616,477
16	Federal funds	33,222,466
17	Interdepartmental transfers	<u>1,350,000</u>
18	Total	41,169,329
19	Sec. B.401 Total labor	
20	Source of funds	
21	General fund	2,980,386

1	Special funds	3,616,477
2	Federal funds	33,222,466
3	Interdepartmental transfers	<u>1,350,000</u>
4	Total	41,169,329
5	Sec. B.500 Education - finance and administration	
6	Personal services	7,569,932
7	Operating expenses	3,575,080
8	Grants	<u>15,540,935</u>
9	Total	26,685,947
10	Source of funds	
11	General fund	3,795,807
12	Special funds	16,280,409
13	Education fund	995,597
14	Federal funds	2,396,087
15	Global Commitment fund	260,000
16	Interdepartmental transfers	<u>2,958,047</u>
17	Total	26,685,947
18	Sec. B.501 Education - education services	
19	Personal services	18,451,314
20	Operating expenses	1,473,983
21	Grants	<u>126,074,411</u>

1	Total	145,999,708
2	Source of funds	
3	General fund	5,681,029
4	Special funds	3,202,682
5	Tobacco fund	750,388
6	Federal funds	135,118,942
7	Interdepartmental transfers	<u>1,246,667</u>
8	Total	145,999,708
9	Sec. B.502 Education - special education: formula grants	
10	Grants	<u>198,471,642</u>
11	Total	198,471,642
12	Source of funds	
13	Education fund	<u>198,471,642</u>
14	Total	198,471,642
15	Sec. B.503 Education - state-placed students	
16	Grants	<u>15,700,000</u>
17	Total	15,700,000
18	Source of funds	
19	Education fund	<u>15,700,000</u>
20	Total	15,700,000
21	Sec. B.504 Education - adult education and literacy	

1	Grants	<u>4,371,050</u>
2	Total	4,371,050
3	Source of funds	
4	General fund	3,605,000
5	Education fund	0
6	Federal funds	<u>766,050</u>
7	Total	4,371,050
8	Sec. B.504.1 Education - Flexible Pathways	
9	Grants	<u>7,346,000</u>
10	Total	7,346,000
11	Source of funds	
12	Education fund	<u>7,346,000</u>
13	Total	7,346,000
14	Sec. B.505 Education - adjusted education payment	
15	Grants	<u>1,371,075,706</u>
16	Total	1,371,075,706
17	Source of funds	
18	Education fund	<u>1,371,075,706</u>
19	Total	1,371,075,706
20	Sec. B.506 Education - transportation	
21	Grants	<u>19,226,000</u>

1	Total	19,226,000
2	Source of funds	
3	Education fund	<u>19,226,000</u>
4	Total	19,226,000
5	Sec. B.507 Education - small school grants	
6	Grants	<u>7,600,000</u>
7	Total	7,600,000
8	Source of funds	
9	Education fund	<u>7,600,000</u>
10	Total	7,600,000
11	Sec. B.510 Education - essential early education grant	
12	Grants	<u>6,617,213</u>
13	Total	6,617,213
14	Source of funds	
15	Education fund	<u>6,617,213</u>
16	Total	6,617,213
17	Sec. B.511 Education - technical education	
18	Grants	<u>13,932,162</u>
19	Total	13,932,162
20	Source of funds	
21	Education fund	<u>13,932,162</u>

1	Total	13,932,162
2	Sec. B.514 State teachers' retirement system	
3	Grants	<u>99,940,777</u>
4	Total	99,940,777
5	Source of funds	
6	General fund	92,241,519
7	Education fund	<u>7,699,258</u>
8	Total	99,940,777
9	Sec. B.514.1 State teachers' retirement system administration	
10	Personal services	6,217,105
11	Operating expenses	<u>1,564,274</u>
12	Total	7,781,379
13	Source of funds	
14	Pension trust funds	<u>7,781,379</u>
15	Total	7,781,379
16	Sec. B.515 Retired teachers' health care and medical benefits	
17	Grants	<u>31,639,205</u>
18	Total	31,639,205
19	Source of funds	
20	General fund	<u>31,639,205</u>
21	Total	31,639,205

1	Sec. B.516 Total general education	
2	Source of funds	
3	General fund	136,962,560
4	Special funds	19,483,091
5	Tobacco fund	750,388
6	Education fund	1,648,663,578
7	Federal funds	138,281,079
8	Global Commitment fund	260,000
9	Interdepartmental transfers	4,204,714
10	Pension trust funds	<u>7,781,379</u>
11	Total	1,956,386,789
12	Sec. B.600 University of Vermont	
13	Grants	<u>42,509,093</u>
14	Total	42,509,093
15	Source of funds	
16	General fund	39,129,876
17	Global Commitment fund	<u>3,379,217</u>
18	Total	42,509,093
19	Sec. B.601 Vermont Public Broadcast System	
20	Grants	<u>1</u>
21	Total	1

1	Source of funds	
2	General fund	<u>1</u>
3	Total	1
4	Sec. B.602 Vermont state colleges	
5	Grants	<u>27,300,464</u>
6	Total	27,300,464
7	Source of funds	
8	General fund	<u>27,300,464</u>
9	Total	27,300,464
10	Sec. B.602.1 Vermont state colleges - Supplemental Aid	
11	Grants	<u>700,000</u>
12	Total	700,000
13	Source of funds	
14	General fund	<u>700,000</u>
15	Total	700,000
16	Sec. B.603 Vermont state colleges - allied health	
17	Grants	<u>1,157,775</u>
18	Total	1,157,775
19	Source of funds	
20	General fund	748,314
21	Global Commitment fund	<u>409,461</u>

1	Total	1,157,775
2	Sec. B.605 Vermont student assistance corporation	
3	Grants	<u>19,414,588</u>
4	Total	19,414,588
5	Source of funds	
6	General fund	<u>19,414,588</u>
7	Total	19,414,588
8	Sec. B.606 New England higher education compact	
9	Grants	<u>84,000</u>
10	Total	84,000
11	Source of funds	
12	General fund	<u>84,000</u>
13	Total	84,000
14	Sec. B.607 University of Vermont - Morgan Horse Farm	
15	Grants	<u>1</u>
16	Total	1
17	Source of funds	
18	General fund	<u>1</u>
19	Total	1
20	Sec. B.608 Total higher education	
21	Source of funds	

1	General fund	87,377,244
2	Global Commitment fund	<u>3,788,678</u>
3	Total	91,165,922
4	Sec. B.700 Natural resources - agency of natural resources - administration	
5	Personal services	2,179,464
6	Operating expenses	1,105,224
7	Grants	<u>34,960</u>
8	Total	3,319,648
9	Source of funds	
10	General fund	2,670,382
11	Special funds	554,112
12	Interdepartmental transfers	<u>95,154</u>
13	Total	3,319,648
14	Sec. B.701 Natural resources - state land local property tax assessment	
15	Operating expenses	<u>2,532,755</u>
16	Total	2,532,755
17	Source of funds	
18	General fund	2,111,255
19	Interdepartmental transfers	<u>421,500</u>
20	Total	2,532,755
21	Sec. B.702 Fish and wildlife - support and field services	

1	Personal services	17,559,395
2	Operating expenses	5,511,383
3	Grants	<u>1,078,000</u>
4	Total	24,148,778
5	Source of funds	
6	General fund	5,652,621
7	Special funds	196,212
8	Fish and wildlife fund	9,505,629
9	Federal funds	8,691,203
10	Interdepartmental transfers	93,102
11	Permanent trust funds	<u>10,011</u>
12	Total	24,148,778
13	Sec. B.703 Forests, parks and recreation - administration	
14	Personal services	889,376
15	Operating expenses	<u>940,315</u>
16	Total	1,829,691
17	Source of funds	
18	General fund	<u>1,829,691</u>
19	Total	1,829,691
20	Sec. B.704 Forests, parks and recreation - forestry	
21	Personal services	5,587,322

1	Operating expenses	761,503
2	Grants	<u>500,000</u>
3	Total	6,848,825
4	Source of funds	
5	General fund	4,610,156
6	Special funds	412,999
7	Federal funds	1,487,097
8	Interdepartmental transfers	<u>338,573</u>
9	Total	6,848,825
10	Sec. B.705 Forests, parks and recreation - state parks	
11	Personal services	8,403,655
12	Operating expenses	<u>2,621,163</u>
13	Total	11,024,818
14	Source of funds	
15	General fund	434,313
16	Special funds	10,590,505
17	Permanent trust funds	<u>0</u>
18	Total	11,024,818
19	Sec. B.706 Forests, parks and recreation - lands administration and recreation	
20	Personal services	1,269,132
21	Operating expenses	1,378,483

1	Grants	<u>2,506,787</u>
2	Total	5,154,402
3	Source of funds	
4	General fund	673,966
5	Special funds	2,020,151
6	Federal funds	2,336,535
7	Interdepartmental transfers	<u>123,750</u>
8	Total	5,154,402
9	Sec. B.708 Forests, parks and recreation - forest and parks access roads	
10	Personal services	65,425
11	Operating expenses	<u>114,500</u>
12	Total	179,925
13	Source of funds	
14	General fund	<u>179,925</u>
15	Total	179,925
16	Sec. B.709 Environmental conservation - management and support services	
17	Personal services	6,288,392
18	Operating expenses	3,391,844
19	Grants	<u>150,000</u>
20	Total	9,830,236
21	Source of funds	

1	General fund	1,074,364
2	Special funds	457,591
3	Federal funds	744,676
4	Interdepartmental transfers	<u>7,553,605</u>
5	Total	9,830,236
6	Sec. B.710 Environmental conservation - air and waste management	
7	Personal services	12,383,436
8	Operating expenses	8,691,215
9	Grants	<u>5,076,000</u>
10	Total	26,150,651
11	Source of funds	
12	General fund	425,825
13	Special funds	21,875,082
14	Federal funds	3,655,939
15	Interdepartmental transfers	<u>193,805</u>
16	Total	26,150,651
17	Sec. B.711 Environmental conservation - office of water programs	
18	Personal services	18,292,585
19	Operating expenses	6,676,548
20	Grants	<u>23,754,400</u>
21	Total	48,723,533

1	Source of funds	
2	General fund	7,815,563
3	Special funds	10,333,268
4	Federal funds	29,486,364
5	Interdepartmental transfers	<u>1,088,338</u>
6	Total	48,723,533
7	Sec. B.713 Natural resources board	
8	Personal services	2,643,689
9	Operating expenses	<u>495,779</u>
10	Total	3,139,468
11	Source of funds	
12	General fund	608,163
13	Special funds	<u>2,531,305</u>
14	Total	3,139,468
15	Sec. B.714 Total natural resources	
16	Source of funds	
17	General fund	28,086,224
18	Special funds	48,971,225
19	Fish and wildlife fund	9,505,629
20	Federal funds	46,401,814
21	Interdepartmental transfers	9,907,827

1	Permanent trust funds	<u>10,011</u>
2	Total	142,882,730
3	Sec. B.800 Commerce and community development - agency of commerce	
4	and community development - administration	
5	Personal services	1,717,913
6	Operating expenses	1,373,839
7	Grants	<u>452,627</u>
8	Total	3,544,379
9	Source of funds	
10	General fund	3,524,379
11	Special funds	0
12	Interdepartmental transfers	<u>20,000</u>
13	Total	3,544,379
14	Sec. B.801 Economic development	
15	Personal services	3,512,700
16	Operating expenses	903,397
17	Grants	<u>5,554,735</u>
18	Total	9,970,832
19	Source of funds	
20	General fund	4,563,197
21	Special funds	2,625,350

1	Federal funds	<u>2,782,285</u>
2	Total	9,970,832
3	Sec. B.802 Housing & community development	
4	Personal services	3,677,757
5	Operating expenses	745,690
6	Grants	<u>11,167,128</u>
7	Total	15,590,575
8	Source of funds	
9	General fund	2,760,297
10	Special funds	4,991,756
11	Federal funds	7,747,771
12	Interdepartmental transfers	<u>90,751</u>
13	Total	15,590,575
14	Sec. B.806 Tourism and marketing	
15	Personal services	1,151,255
16	Operating expenses	1,743,242
17	Grants	<u>121,880</u>
18	Total	3,016,377
19	Source of funds	
20	General fund	<u>3,016,377</u>
21	Total	3,016,377

1	Sec. B.807 Vermont life	
2	Personal services	604,497
3	Operating expenses	<u>46,108</u>
4	Total	650,605
5	Source of funds	
6	Enterprise funds	<u>650,605</u>
7	Total	650,605
8	Sec. B.808 Vermont council on the arts	
9	Grants	<u>717,735</u>
10	Total	717,735
11	Source of funds	
12	General fund	<u>717,735</u>
13	Total	717,735
14	Sec. B.809 Vermont symphony orchestra	
15	Grants	<u>141,214</u>
16	Total	141,214
17	Source of funds	
18	General fund	<u>141,214</u>
19	Total	141,214
20	Sec. B.810 Vermont historical society	
21	Grants	<u>961,426</u>

1	Total	961,426
2	Source of funds	
3	General fund	<u>961,426</u>
4	Total	961,426
5	Sec. B.811 Vermont housing and conservation board	
6	Grants	<u>26,361,035</u>
7	Total	26,361,035
8	Source of funds	
9	Special funds	10,940,222
10	Federal funds	<u>15,420,813</u>
11	Total	26,361,035
12	Sec. B.812 Vermont humanities council	
13	Grants	<u>217,959</u>
14	Total	217,959
15	Source of funds	
16	General fund	<u>217,959</u>
17	Total	217,959
18	Sec. B.813 Total commerce and community development	
19	Source of funds	
20	General fund	15,902,584
21	Special funds	18,557,328

1	Federal funds	25,950,869
2	Interdepartmental transfers	110,751
3	Enterprise funds	<u>650,605</u>
4	Total	61,172,137
5	Sec. B.900 Transportation - finance and administration	
6	Personal services	11,841,671
7	Operating expenses	2,759,243
8	Grants	<u>55,000</u>
9	Total	14,655,914
10	Source of funds	
11	Transportation fund	13,637,714
12	Federal funds	<u>1,018,200</u>
13	Total	14,655,914
14	Sec. B.901 Transportation - aviation	
15	Personal services	5,163,838
16	Operating expenses	8,404,249
17	Grants	<u>231,676</u>
18	Total	13,799,763
19	Source of funds	
20	Transportation fund	4,628,763
21	Federal funds	<u>9,171,000</u>

1	Total	13,799,763
2	Sec. B.902 Transportation - buildings	
3	Operating expenses	<u>1,578,050</u>
4	Total	1,578,050
5	Source of funds	
6	Transportation fund	<u>1,578,050</u>
7	Total	1,578,050
8	Sec. B.903 Transportation - program development	
9	Personal services	50,457,603
10	Operating expenses	216,263,480
11	Grants	<u>34,168,390</u>
12	Total	300,889,473
13	Source of funds	
14	Transportation fund	42,549,882
15	TIB fund	11,894,706
16	Federal funds	244,766,072
17	Interdepartmental transfers	239,345
18	Local match	<u>1,439,468</u>
19	Total	300,889,473
20	Sec. B.904 Transportation - rest areas construction	
21	Personal services	43,000

1	Operating expenses	<u>701,802</u>
2	Total	744,802
3	Source of funds	
4	Transportation fund	76,242
5	Federal funds	<u>668,560</u>
6	Total	744,802
7	Sec. B.905 Transportation - maintenance state system	
8	Personal services	43,007,903
9	Operating expenses	44,516,596
10	Grants	<u>371,780</u>
11	Total	87,896,279
12	Source of funds	
13	Transportation fund	85,018,492
14	Federal funds	2,777,787
15	Interdepartmental transfers	<u>100,000</u>
16	Total	87,896,279
17	Sec. B.906 Transportation - policy and planning	
18	Personal services	4,258,996
19	Operating expenses	923,797
20	Grants	<u>5,903,691</u>
21	Total	11,086,484

1	Source of funds	
2	Transportation fund	2,822,771
3	Federal funds	8,171,508
4	Interdepartmental transfers	<u>92,205</u>
5	Total	11,086,484
6	Sec. B.907 Transportation - rail	
7	Personal services	5,511,324
8	Operating expenses	<u>24,087,727</u>
9	Total	29,599,051
10	Source of funds	
11	Transportation fund	18,675,520
12	TIB fund	760,000
13	Federal funds	<u>10,163,531</u>
14	Total	29,599,051
15	Sec. B.908 Transportation - public transit	
16	Personal services	1,226,680
17	Operating expenses	244,440
18	Grants	<u>27,549,109</u>
19	Total	29,020,229
20	Source of funds	
21	Transportation fund	7,795,281

1	Federal funds	<u>21,224,948</u>
2	Total	29,020,229
3	Sec. B.909 Transportation - central garage	
4	Personal services	4,283,427
5	Operating expenses	<u>16,401,097</u>
6	Total	20,684,524
7	Source of funds	
8	Internal service funds	<u>20,684,524</u>
9	Total	20,684,524
10	Sec. B.910 Department of motor vehicles	
11	Personal services	19,894,921
12	Operating expenses	<u>11,465,811</u>
13	Total	31,360,732
14	Source of funds	
15	Transportation fund	29,760,414
16	Federal funds	1,458,768
17	Interdepartmental transfers	<u>141,550</u>
18	Total	31,360,732
19	Sec. B.911 Transportation - town highway structures	
20	Grants	<u>6,333,500</u>
21	Total	6,333,500

1	Source of funds	
2	Transportation fund	<u>6,333,500</u>
3	Total	6,333,500
4	Sec. B.912 Transportation - town highway local technical assistance program	
5	Personal services	363,490
6	Operating expenses	<u>40,224</u>
7	Total	403,714
8	Source of funds	
9	Transportation fund	103,714
10	Federal funds	<u>300,000</u>
11	Total	403,714
12	Sec. B.913 Transportation - town highway class 2 roadway	
13	Grants	<u>7,648,750</u>
14	Total	7,648,750
15	Source of funds	
16	Transportation fund	<u>7,648,750</u>
17	Total	7,648,750
18	Sec. B.914 Transportation - town highway bridges	
19	Personal services	3,181,488
20	Operating expenses	8,683,506
21	Grants	<u>1,460,000</u>

1	Total	13,324,994
2	Source of funds	
3	Transportation fund	1,490,612
4	TIB fund	547,631
5	Federal funds	10,594,419
6	Local match	<u>692,332</u>
7	Total	13,324,994
8	Sec. B.915 Transportation - town highway aid program	
9	Grants	<u>25,982,744</u>
10	Total	25,982,744
11	Source of funds	
12	Transportation fund	<u>25,982,744</u>
13	Total	25,982,744
14	Sec. B.916 Transportation - town highway class 1 supplemental grants	
15	Grants	<u>128,750</u>
16	Total	128,750
17	Source of funds	
18	Transportation fund	<u>128,750</u>
19	Total	128,750
20	Sec. B.917 Transportation - town highway: state aid for nonfederal disasters	
21	Grants	<u>1,150,000</u>

1	Total	1,150,000
2	Source of funds	
3	Transportation fund	<u>1,150,000</u>
4	Total	1,150,000
5	Sec. B.918 Transportation - town highway: state aid for federal disasters	
6	Grants	<u>180,000</u>
7	Total	180,000
8	Source of funds	
9	Transportation fund	20,000
10	Federal funds	<u>160,000</u>
11	Total	180,000
12	Sec. B.919 Transportation - municipal mitigation assistance program	
13	Operating expenses	200,000
14	Grants	<u>8,882,342</u>
15	Total	9,082,342
16	Source of funds	
17	Transportation fund	1,240,000
18	Special funds	2,400,000
19	Federal funds	<u>5,442,342</u>
20	Total	9,082,342
21	Sec. B.920 Transportation - public assistance grant program	

1	Operating expenses	640,000
2	Grants	<u>4,419,457</u>
3	Total	5,059,457
4	Source of funds	
5	Transportation fund	160,000
6	Special funds	1,419,457
7	Federal funds	3,000,000
8	Interdepartmental transfers	<u>480,000</u>
9	Total	5,059,457
10	Sec. B.921 Transportation board	
11	Personal services	235,619
12	Operating expenses	<u>35,924</u>
13	Total	271,543
14	Source of funds	
15	Transportation fund	<u>271,543</u>
16	Total	271,543
17	Sec. B.922 Total transportation	
18	Source of funds	
19	Transportation fund	251,072,742
20	TIB fund	13,202,337
21	Special funds	3,819,457

1	Federal funds	318,917,135
2	Internal service funds	20,684,524
3	Interdepartmental transfers	1,053,100
4	Local match	<u>2,131,800</u>
5	Total	610,881,095
6	Sec. B.1000 Debt service	
7	Operating expenses	<u>78,097,467</u>
8	Total	78,097,467
9	Source of funds	
10	General fund	72,860,749
11	Transportation fund	1,629,544
12	ARRA funds	1,102,486
13	TIB debt service fund	<u>2,504,688</u>
14	Total	78,097,467
15	Sec. B.1001 Total debt service	
16	Source of funds	
17	General fund	72,860,749
18	Transportation fund	1,629,544
19	ARRA funds	1,102,486
20	TIB debt service fund	<u>2,504,688</u>
21	Total	78,097,467

1 University of Vermont and the Vermont Center for Emerging Technologies for
2 patent development and commercialization of technology and to enhance the
3 development of high-technology businesses and Next Generation employment
4 opportunities throughout Vermont.

5 (2) Loan repayment. The amount of \$30,000 as follows:

6 (A) Large animal veterinarians' loan repayment. The amount of
7 \$30,000 is appropriated to the Agency of Agriculture, Food and Markets
8 for a loan repayment program for large animal veterinarians pursuant to
9 6 V.S.A. § 20.

10 (3) Scholarships and grants. The amount of \$1,420,500 as follows:

11 (A) Non-degree VSAC grants. The amount of \$494,500 is
12 appropriated to the Vermont Student Assistance Corporation. These funds
13 shall be for the purpose of providing nondegree grants to Vermonters to
14 improve job skills and increase overall employability, enabling them to enroll
15 in a postsecondary education or training program, with equal emphasis on
16 adult technical education that is not part of a degree or accredited certificate
17 program. A portion of these funds shall be used for grants for indirect
18 educational expenses to students enrolled in training programs. The grants
19 shall not exceed \$3,000 per student. None of these funds shall be used for
20 administrative overhead.

21 (B) National Guard Educational Assistance. The amount of

1 \$150,000 is appropriated to Military – administration to be transferred to the
2 Vermont Student Assistance Corporation for the National Guard Educational
3 Assistance Program established in 16 V.S.A. § 2856.

4 (C) Dual enrollment programs and need-based stipend. The amount
5 of \$740,000 is appropriated to the Agency of Education for dual enrollment
6 programs and \$36,000 is appropriated to the Agency of Education to be
7 transferred to the Vermont Student Assistance Corporation for need-based
8 stipends pursuant to Sec. E.605.1 of this act.

9 Sec. B.1100.1 DEPARTMENT OF LABOR RECOMMENDATION FOR
10 FISCAL YEAR 2020 NEXT GENERATION INITIATIVE
11 FUND DISTRIBUTION

12 (a) The Department of Labor, in coordination with the Agencies of
13 Commerce and Community Development, of Human Services, and of
14 Education, and in consultation with the State Workforce Development Board,
15 shall recommend to the Governor on or before December 1, 2018 how
16 \$3,055,900 from the Next Generation Initiative Fund should be allocated or
17 appropriated in fiscal year 2020 to provide maximum benefit to workforce
18 education and training, participation in secondary or postsecondary education
19 by underrepresented groups, and support for promising economic sectors in
20 Vermont. The State agencies and departments listed herein shall promote
21 actively and publicly the availability of the funds to eligible entities.

1 Sec. C.101 REPEAL

2 (a) 2017 Acts and Resolves No. 85, Sec. E.301.1 (General Fund reversion)
3 is repealed.

4 Sec. C.102 FISCAL YEAR 2018 MEDICAID AUTHORIZED PAYMENT
5 AND CARRY FORWARD REQUIREMENT

6 (a) In fiscal year 2018, to the extent funds are available within the funds
7 appropriated in 2017 Acts and Resolves No. 85, Sec. B.301 as amended by
8 2018 Acts and Resolves No. 87, Sec. 8, as determined by the Secretary of
9 Human Services in consultation with the Commissioner of Finance and
10 Management and the Legislative Chief Fiscal Officer, the Agency of Human
11 Services:

12 (1) Shall carry forward to fiscal year 2019 a total of \$1,500,000 in
13 General Funds for fiscal year 2019 obligations. The Commissioner of Finance
14 and Management is authorized to adjust fiscal year 2018 Federal Fund and
15 Global Commitment Fund appropriations in the Agency of Human Services
16 and Department of Vermont Health Access to comport with this provision.

17 (A) The Commissioner of Finance and Management and the
18 Secretary of Human Services shall ensure that the budget proposal submitted
19 for Global Commitment as part of the requirement of 32 V.S.A. § 306 does not
20 rely upon anticipated carry forward General Funds, and appropriates general
21 funds in fiscal year 2020 to the Secretary of Human Services in an amount

1 sufficient to fund the most current official Medicaid forecast adopted for fiscal
2 year 2020 under 32 V.S.A. § 305a(c) adjusted for any recommended changes
3 to policy or operations that impact the official forecast.

4 (2) Is authorized to spend \$4,500,000 in General Funds to fund a
5 negotiated agreement to settle financial reconciliation of the 2016 year of the
6 Vermont Health Connect operations.

7 (3) Shall carry forward to fiscal year 2019 a total of \$1,100,000 in
8 General Funds for premium processing by Vermont Health Connect during
9 fiscal year 2019. It is anticipated that premium processing functions will be
10 performed by insurance carriers in the 2020 health insurance year. The
11 Commissioner of Finance and Management is authorized to adjust fiscal year
12 2018 Federal Fund and Global Commitment Fund appropriations in the
13 Agency of Human Services and Department of Vermont Health Access to
14 comport with this requirement.

15 Sec. C.103 FISCAL YEAR 2017 ONE-TIME APPROPRIATION CARRY

16 FORWARD

17 (a) In fiscal year 2018, the sum of \$1,300,000 remaining of the amount
18 appropriated to the Secretary of Administration in 2017 Acts and Resolves No.
19 85, Sec. C.100(a), shall be carried forward into fiscal year 2019 for
20 distribution to the Department for Children and Families to provide funding
21 for changes in employee classification that were previously approved in

1 accordance with the collective bargaining agreement.

2 Sec. C.104 [DELETED]

3 Sec. C.105 FISCAL YEAR 2018 ONE-TIME TRANSFERS FROM THE
4 TOBACCO LITIGATION SETTLEMENT FUND

5 (a) Transfers: Notwithstanding 32 V.S.A. § 435a(a) the following transfers
6 shall be made from the Tobacco Litigation Settlement Fund:

7 (1) \$13,500,000 is transferred to the General Fund;

8 (2) \$750,000 is transferred to the Environmental Contingency Fund
9 established pursuant to 10 V.S.A. § 1283 for the purpose of conducting an
10 evaluation of cleanup alternatives and, if required, a corrective action plan for
11 PFOA and PFOS releases in the Town of Bennington; and

12 (3) \$1,000,000 is transferred to the Complex Litigation Special Fund
13 established in 3 V.S.A. § 167a.

14 Sec. C.105.1 FISCAL YEAR 2018 ONE-TIME APPROPRIATIONS FROM
15 THE TOBACCO LITIGATION SETTLEMENT FUND

16 (a) Appropriations: Notwithstanding 32 V.S.A. § 435a(a), the following
17 appropriations shall be made from the Tobacco Litigation Settlement Fund:

18 (1) \$1,000,000 to the Department of Buildings and General Services to
19 be used in combination with capital funds appropriated in fiscal year 2019 for
20 renovation and fit-up at the Brattleboro Retreat to provide a minimum of 12
21 beds, including level-1 beds, to the State for a period determined by the

1 Secretary of Human Services to be in the best interest of the State. The
2 Department of Buildings and General Services shall not expend any funds
3 from this appropriation until the Commissioner of Buildings and General
4 Services and the Secretary of Human Services have notified the Commissioner
5 of Finance and Management and the Chairs of the House Committee on
6 Corrections and Institutions and the Senate Committee on Institutions that an
7 agreement has been executed between the Brattleboro Retreat and the State.

8 (2) \$500,000 to the University of Vermont;

9 (3) \$500,000 to the Vermont State Treasurer to offset costs of interest
10 and principal at the Treasurer's discretion for longer-term State building
11 efficiency investment funding. The Treasurer and the Commissioner of
12 Buildings and General Services shall report to the House and Senate
13 Committees on Appropriations, the House Committee on Corrections and
14 Institutions, and the Senate Committee on Institutions on the use of these
15 funds.

16 (4) \$1,000,000 to the Agency of Human Services. The use of these
17 funds shall be pursuant to the plan specified by the Tobacco Evaluation and
18 Review Board.

19 (5) \$200,000 to the Department of Health to conduct two blood draw
20 clinics in Bennington in calendar year 2018 for current and prior members of
21 the community who may have had long-term exposure to PFOA and PFOS

1 releases in the greater Bennington area.

2 (6) \$350,000 to the Department of Corrections to design reentry
3 programming that will result in stronger support and reintegration into the
4 community for inmates and lower recidivism.

5 (7) \$400,000 to the Department of Corrections for Medication-Assisted
6 Treatment as specified in S.166 of 2018.

7 (8) \$300,000 to the Department of Forests, Parks and Recreation to be
8 granted to the Vermont Youth Conservation Corps in even increments of
9 \$100,000 in fiscal years 2018, 2019, and 2020.

10 (9) \$100,000 to the Department for Children and Families' Child
11 Development Division to analyze how Vermont's families make early care and
12 education arrangements for their children. These funds shall be used to
13 contract with an independent organization to survey families in Vermont with
14 children under six years of age about their child care arrangements and
15 preferences and what factors may constrain parental choices. The Department
16 shall provide a copy of the survey instrument to the House and Senate
17 Committees on Appropriations, the House Committee on Human Services and
18 the Senate Committee on Health and Welfare prior to finalizing the instrument
19 for survey implementation. The Department shall provide a report on the
20 results of the survey to the General Assembly on January 15, 2019.

21 (10) \$200,000 to the Department for Children and Families to prepare

1 for the expansion of services to juvenile offenders 18 and 19 years of age
2 pursuant to 33 V.S.A. chapters 52 and 52A as amended in S.274 of 2018
3 beginning in fiscal year 2021, with any unexpended funds to carry forward.

4 (11) \$100,000 to the Office of Economic Opportunity in the Department
5 for Children and Families for pass-through grants to the Community Action
6 Agencies to provide funding for the regional Microbusiness Development
7 Programs pursuant to 3 V.S.A. § 3722.

8 (12) \$100,000 to the Agency of Education for fiscal year 2019 for
9 administration in accordance with the Prekindergarten study required by
10 Sec. E.500.7 of this act.

11 (13) \$150,000 to the Joint Fiscal Office for the study of Corrections
12 Health Care as specified in Sec. E.127 of this act.

13 Sec. C.106 CHINS CASES SYSTEM-WIDE REFORM

14 (a) The sum of \$7,000,000 is appropriated from the Tobacco Litigation
15 Settlement Fund to the Judiciary in fiscal year 2018 and shall carry forward for
16 the uses and based on the allocations set forth in subsections (b) and (c) of this
17 section. The purpose of the funds is to make strategic investments to
18 transform the adjudication of CHINS cases in Vermont.

19 (b) The sum appropriated from the Tobacco Litigation Settlement Fund in
20 subsection (a) of this section shall be allocated as follows:

21 (1) \$1,250,000 for fiscal year 2019, which shall not be distributed until

1 the group defined in subsection (c) of this section provides proposed
2 expenditures as part of its fiscal year 2019 budget adjustment request;

3 (2) \$2,500,000 for fiscal year 2020, for which the group shall provide
4 proposed expenditures as part of its fiscal year 2020 budget request or budget
5 adjustment request, or both;

6 (3) \$2,500,000 for fiscal year 2021, for which the group shall provide
7 proposed expenditures as part of its fiscal year 2021 budget request or budget
8 adjustment request, or both; and

9 (4) \$750,000 in fiscal year 2022 or after as needed.

10 (c) During the 2018 legislative interim, the Chief Superior Judge, the
11 Executive Director of State's Attorneys and Sheriffs, the Defender General,
12 and the Commissioner for Children and Families, shall review and propose
13 changes to the system by which CHINS cases are processed and adjudicated.

14 In undertaking this review the group shall evaluate successful models used in
15 other countries, states, or cities. The proposal shall incorporate innovative
16 approaches to holistic reform and strategies to reduce the need for court
17 intervention, and may include the use of regional and mobile models, judicial
18 masters, mediation, dedicated resources, and other alternative dispute
19 resolution options to the CHINS process. The proposal for reform shall:

20 (1) support and improve child safety;

21 (2) provide early screening for substance abuse, mental health, and

1 trauma of children and parents;

2 (3) provide early access to services designed to address screening
3 outcomes;

4 (4) improve timeliness of adjudication, including timeliness to
5 permanency for children, whether permanency is reunification with parents or
6 termination of parental rights;

7 (5) ensure due process;

8 (6) serve the best interests of the affected children;

9 (7) relieve systemic resource and budget pressures; and

10 (8) lead to lasting changes.

11 (d) The Chief Superior Judge, the Executive Director of State's Attorneys
12 and Sheriffs, the Defender General, and the Commissioner for Children and
13 Families shall report on the proposal developed pursuant to subsection (c) of
14 this section, and shall include a recommendation on how to allocate the
15 \$1,250,000 allocated for fiscal year 2019 to reflect the vision for reforming the
16 CHINS docket that achieves the outcomes set forth in subsection (c) of this
17 section:

18 (1) on or before December 1, 2018 shall report to a combined meeting
19 of the Joint Legislative Justice Oversight Committee and Joint Legislative
20 Child Protection Committee; and

21 (2) shall report to the House and Senate Committees on Appropriations,

1 the House and Senate Committees on Judiciary, the House Committee on
2 Human Services, and the Senate Committee on Health and Welfare on or
3 before January 15, 2019 as a part of the Judiciary's recommendations for the
4 fiscal year 2020 budget.

5 Sec. C.106.1 EXPANDING THE VERMONT WORKFORCE FOR
6 SUBSTANCE USE DISORDER TREATMENT AND
7 MENTAL HEALTH PROFESSIONALS

8 (a) The sum of \$5,000,000 is appropriated from the Tobacco Litigation
9 Settlement Fund to the Agency of Human Services in fiscal year 2018 and
10 shall carry forward for the uses and based on the allocations set forth in
11 subsections (b) and (c) of this section. The purpose of the funds is to make
12 strategic investments in order to expand the supply of high-quality substance
13 use disorder treatment and mental health professionals available to Vermont
14 residents in need of their services.

15 (b) The sum appropriated to the Agency of Human Services in subsection
16 (a) of this section shall be allocated to the Agency as follows:

17 (1) \$1,500,000 for fiscal year 2019, which shall not be distributed until
18 the Agency provides proposed expenditures as part of its fiscal year 2019
19 budget adjustment request;

20 (2) \$1,500,000 for fiscal year 2020, for which the Agency shall provide
21 proposed expenditures as part of its fiscal year 2020 budget request or budget

1 adjustment request, or both;

2 (3) \$1,500,000 for fiscal year 2021, for which the Agency shall provide
3 proposed expenditures as part of its fiscal year 2021 budget request or budget
4 adjustment request, or both; and

5 (4) \$500,000 which may be provided in fiscal year 2022 or after as
6 needed to ensure successful and sustainable implementation of the workforce
7 expansion initiatives developed pursuant to this section.

8 (c)(1) The Secretary of Human Services shall convene a work group
9 composed of representatives of the University of Vermont, the Vermont State
10 Colleges, the Area Health Education Centers (AHEC) program and others
11 including consumers, primary care doctors to select from among all proposals
12 for use of the funds allocated pursuant to subsection (b) of this section those
13 most likely to build capacity in Vermont's substance use disorder treatment and
14 mental health systems in a cost-effective and sustainable manner by
15 cultivating, attracting, recruiting, and retaining high-quality substance use
16 disorder treatment and mental health professionals. The Secretary of Human
17 Services shall present the selected proposals to the General Assembly within
18 the allocations set forth in subsection (b) of this section for approval as part of
19 the applicable budget or budget adjustment process.

20 (2) Successful proposals for use of the funds allocated pursuant to
21 subsection (b) of this section may include scholarships; loan repayment for

1 high-quality substance use disorder treatment and mental health professionals
2 who commit to practicing in Vermont; hiring bonuses or loan repayment, or
3 both, for faculty and staff at institutions of higher education in Vermont to
4 teach prospective substance use disorder treatment and mental health
5 professionals; strategic bonuses for high-quality substance use disorder
6 treatment and mental health professionals in Vermont's existing workforce;
7 and appropriate continuing education and training for substance use disorder
8 treatment and mental health professionals in Vermont's existing workforce.
9 Loan repayment funds shall be distributed using the AHEC system as
10 appropriate.

11 Sec. C.106.2 SUBSTANCE USE DISORDER RESPONSE INITIATIVES

12 (a) The sum of \$2,500,000 is appropriated from the Tobacco Litigation
13 Settlement Fund to the Agency of Human Services in fiscal year 2018 and
14 shall carry forward for the uses and based on the allocations set forth in this
15 section. These funds shall be used to finance time-limited or self-sustaining
16 substance use disorder initiatives including initiatives relating to prevention,
17 intervention, harm reduction, treatment, and recovery.

18 (b) The sum appropriated to the Agency of Human Services in subsection
19 (a) of this section shall be allocated to the Agency as follows:

20 (1) \$1,000,000 for fiscal year 2019, which shall not be distributed until
21 the Agency provides proposed expenditures as part of its fiscal year 2019

1 budget adjustment request;

2 (2) \$750,000 for fiscal year 2020, for which the Agency shall provide
3 proposed expenditures as part of its fiscal year 2020 budget request or budget
4 adjustment request, or both;

5 (3) \$750,000 for fiscal year 2021, for which the Agency shall provide
6 proposed expenditures as part of its fiscal year 2021 budget request or budget
7 adjustment request, or both.

8 (c) The Secretary of Human Services shall present a plan to fund fiscal
9 year initiatives relating to prevention, intervention, harm reduction, treatment,
10 and recovery for approval at the Joint Fiscal Committee July 2018 meeting.

11 Sec. C.106.3 [DELETED]

12 Sec. C.106.4 [DELETED]

13 Sec. C.106.5 [DELETED]

14 Sec. C.107 [DELETED]

15 Sec. C.108 REPEALS

16 (a) 2018 Acts and Resolves No. 87, Sec. 37 (Temporary General Fund
17 Reserve) is repealed.

18 (b) 2018 Acts and Resolves No. 87, Sec. 43 (Use of General Fund Balance
19 Reserve) is repealed.

20 Sec. C.109 FISCAL YEAR 2018 FEDERAL FUNDS CONTINGENT

21 APPROPRIATION

1 (a) In the event a federal infrastructure bill providing additional federal
2 funding to Vermont for transportation-related projects is enacted and takes
3 effect in fiscal year 2018 or fiscal year 2019, such federal funds are
4 appropriated to the Agency of Transportation in fiscal year 2018 or fiscal
5 year 2019 as provided and under the conditions prescribed in Sec. 2 of H.917
6 of 2018.

7 Sec. C.110 IMPLEMENTATION OF PRELIMINARY

8 RECOMMENDATIONS OF THE VERMONT CLIMATE

9 ACTION COMMISSION

10 (a) On December 29, 2017, the Vermont Climate Action Commission
11 (Commission) created by the Governor through Executive Order No. 12-17
12 made five preliminary recommendations to advance Vermont's ability to
13 achieve the Comprehensive Energy Plan's goals for 2050 to reduce greenhouse
14 gas (GHG) emissions and increase renewable energy. Those recommendations
15 are implemented by the provisions of this section and those other sections and
16 bills described in this section.

17 (b) Recommendations of the Commission and actions taken on them
18 include:

19 (1) Support advanced wood heat: In Sec. B.1102 of this act \$200,000
20 shall be dedicated for additional woodstove change outs to improve air quality
21 and reduce air emissions related to woodstoves, funded on a one-time basis;

1 (2) Increase the pace of weatherization: Two specific actions include:

2 (A) In H.907 of 2018, the State Treasurer is authorized in fiscal years
3 2019 and 2020 to invest up to \$5,000,000 of funds from the credit facility
4 established in 10 V.S.A. § 10 for an accelerated weatherization and housing
5 improvement program. The funds shall be used to support efforts for
6 households and multi-family rental homes as specified in H.907 of 2018.

7 (B) The Department of Buildings and General Services shall work
8 with the Treasurer to maximize use of the credit facility for local investments
9 established in 10 V.S.A. § 10, to fund energy efficiency projects for State
10 buildings. The amount of \$500,000 is appropriated in Sec. C.105.1(a)(3) of
11 this act to the Treasurer to offset costs of interest and principal at the
12 Treasurer’s discretion for longer-term State building efficiency investment
13 funding.

14 (3) Study regulatory and market decarbonization mechanisms: The
15 Joint Fiscal Committee shall contract for independent professional assistance
16 to analyze the costs and benefits for Vermont of adopting and implementing
17 policies to reduce GHG emissions caused by Vermont’s consumption of fossil
18 fuels. There is \$120,000 appropriated in Sec. C.1000(a)(1) of this act to the
19 Joint Fiscal Committee for this study.

20 (A) The analysis shall include the comparative ability or potential of
21 the policies to achieve reductions in GHG emissions; to spur economic

1 development in the State; to encourage innovation in the State; to cause shifts
2 in employment, including job creation, job loss, and sectors affected; and to
3 affect the cost of living in Vermont.

4 (B) The Joint Fiscal Office and the contractor shall consult with the
5 Climate Commission and the Chairs of the House Committees on Energy and
6 Technology and on Natural Resources, Wildlife, and Water Resources and the
7 Senate Committee on Natural Resources and Energy. On or before January 15,
8 2019, the Joint Fiscal Office shall submit the analysis to those same standing
9 committees, with a copy to the Climate Commission.

10 (4) Foster the climate economy: The recommendations in subdivisions
11 (1), (2), (3), and (5) of this subsection should result in added economic activity
12 to foster a climate economy.

13 (5) Electrify the transportation system: The direction concerning the
14 use of Environmental Mitigation Trust monies resulting from the Volkswagen
15 litigation set forth in Sec. E.700 of this act is designed to increase
16 electrification of transportation.

17 Sec. C.111 2017 Acts and Resolves No. 85, Sec. B.502 is amended to read:

18 Sec. B.502 Education – special education: formula grants

19 Grants	<u>180,749,796</u>	<u>188,749,796</u>
20 Total	180,749,796	188,749,796

21 Source of funds

1	Education fund	<u>180,749,796</u>	<u>188,749,796</u>
2	Total	180,749,796	188,749,796

3 Sec. C.112 2017 Acts and Resolves No. 85, Sec. B.503 is amended to read:

4 Sec. B.503 Education – state placed students

5	Grants	<u>16,700,000</u>	<u>14,700,000</u>
6	Total	16,700,000	14,700,000

7 Source of funds

8	Education fund	<u>16,700,000</u>	<u>14,700,000</u>
9	Total	16,700,000	14,700,000

10 Sec. C.113 2017 Acts and Resolves No. 85, Sec. B.504.1 as amended by 2018
11 Acts and Resolves No. 87, Sec. 32 is further amended to read:

12 Sec. B.504.1 Education - Flexible Pathways

13	Grants	<u>7,850,000</u>	<u>7,100,000</u>
14	Total	7,850,000	7,100,000

15 Source of funds

16	Education fund	<u>7,850,000</u>	<u>7,100,000</u>
17	Total	7,850,000	7,100,000

18 Sec. C.114 2017 Acts and Resolves No. 85, Sec. B.516 as amended by 2018
19 Acts and Resolves No. 87, Sec. 33 is further amended to read:

20 Sec. B.516 Total general education

21 Source of funds

1	General fund	427,964,287	427,964,287
2	Special funds	22,238,547	22,238,547
3	Tobacco fund	750,388	750,388
4	Education fund	1,615,538,843	1,620,788,843
5	Federal funds	136,958,720	136,958,720
6	Global Commitment fund	260,000	260,000
7	Interdepartmental transfers	4,608,110	4,608,110
8	Pension trust funds	<u>7,687,431</u>	<u>7,687,431</u>
9	Total	2,216,006,326	2,221,256,326

10 Sec. C.115 2017 Acts and Resolves No. 85, Sec. B.514 is amended to read:

11 Sec. B.514 State teachers' retirement system

12	Grants	<u>83,809,437</u>	<u>84,109,437</u>
13	Total	<u>83,809,437</u>	<u>84,109,437</u>

14 Source of funds

15	General fund	75,912,816	76,212,816
16	Education fund	<u>7,896,621</u>	<u>7,896,621</u>
17	Total	83,809,437	84,109,437

18 Sec. C.116 2017 Acts and Resolves No. 85, Sec. B.515 is amended to read:

19 Sec. B.515 Retired teachers' health care and medical benefits

20	Grants	<u>27,560,966</u>	<u>27,260,966</u>
21	Total	27,560,966	27,260,966

1	Source of funds		
2	General fund	27,560,966	<u>27,260,966</u>
3	Education fund	0	
4	Total	27,560,966	27,260,966

5 Sec. C.117 2017 Acts and Resolves No. 85, Sec. E.514 is amended to read:

6 Sec. E.514 State teachers' retirement system

7 (a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to
8 the State Teachers' Retirement System (STRS) shall be \$88,409,437 of which
9 ~~\$83,809,437~~ \$84,109,437 shall be the State's contribution and ~~\$4,600,000~~
10 \$4,300,000 shall be contributed from local school systems or educational
11 entities pursuant to 16 V.S.A. § 1944c.

12 * * *

13 Sec. C.118 2017 Acts and Resolves No. 85, Sec. E.515 is amended to read:

14 Sec. E.515 Retired teachers' health care and medical benefits

15 (a) In accordance with 16 V.S.A. § 1944b(b)(2), ~~\$27,560,966~~ \$27,260,966
16 will be contributed to the Retired Teachers' Health and Medical Benefits plan.

17 Sec. C.119 2017 Acts and Resolves No. 85, Sec. D.101 as amended by 2018
18 Acts and Resolves No. 87, Sec. 36 is further amended to read:

19 Sec. D.101 FISCAL YEAR 2018 FUND TRANSFERS, REVERSIONS,
20 AND RESERVES

21 * * *

1 (c) Notwithstanding any provisions of law to the contrary, in fiscal
2 year 2018:

3 (1) The following amounts shall revert to the General Fund from the
4 accounts indicated:

5	1210001000	Legislative Council	150,000.00
6	1210002000	Legislature	385,000.00
7	1230001000	Sergeant at Arms	19,000.00
8	7120890704	International Trade Commission	7,711.88
9	1110003000	Budget & Management	27,921.28
10	1100010000	Secretary of Administration	100,000.00
11	1140070000	Use Tax Reimbursement Program	404.00
12	1240001000	Lieutenant Governor	21,424.41
13	1250010000	Auditor of Accounts	53,389.23
14	2100002000	Court Diversion	24,744.91
15	2160010000	Victims Compensation	489.05
16	2280001000	Human Rights Commission	10,000.00
17	3310000000	Commission on Women	3,040.00
18	5100070000	Education – Education Services	128.66
19	5100060000	Adult Basic Education	1,065.35
20	7100000000	Administration Division	3,000.00

21 * * *

1 Sec. C.1000 FISCAL YEAR 2018 GENERAL FUND ONE-TIME

2 APPROPRIATIONS, TRANSFERS, AND REVERSIONS

3 (a) Appropriations: The following appropriations are made from the
4 General Fund in fiscal year 2018:

5 (1) To the Joint Fiscal Committee for the decarbonization mechanisms
6 study as prescribed in Sec. C.110(b)(3) of this act. \$120,000

7 (2) To the Legislature for a legislative staff workforce comparative
8 evaluation specified in Sec. E.126 of this act. \$40,000

9 (3) To the Agency of Agriculture, Food and Markets to be carried
10 forward and used to increase grants awarded in the Vermont Working Lands
11 Enterprise program in fiscal year 2019. \$106,000

12 (4) To the Vermont State Colleges for the final State contribution for
13 costs of the unification of Johnson and Lyndon State colleges into Northern
14 Vermont University. \$350,000

15 (5) To the Department of State's Attorneys and Sheriffs to be carried
16 forward and used for transport per diem funding in fiscal year 2019 for
17 Vermont Sheriffs. \$105,776

18 (6) To the Joint Fiscal Office for the Vermont Tax Structure
19 Commission established in Sec.15 of H.911 of 2018 \$500,000

20 (7) To the Agency of Education in fiscal year 2018 to be carried
21 forward for fiscal year 2019 under 16 V.S.A. § 2969(c) for the Agency to

1 administer the grant program in accordance with Sec. E.500.6 of this act.

2 \$250,000

3 (8) To the Secretary of State for costs associated with administering

4 primary and general election efforts. \$400,000

5 (9) To the State's Attorneys for the purchase of a case management

6 system. \$200,000

7 (10) To the Agency of Agriculture, Food and Markets to be carried

8 forward for Farm to School initiatives in fiscal year 2019. \$50,000

9 (11) To the Vermont Economic Development Authority (VEDA) to be

10 used by VEDA's agricultural subsidiary the Vermont Agricultural Credit

11 Corporation (VACC) established under 10 V.S.A. § 374a. These funds are for

12 a loss reserve in the 2018 Farm Operating Program which provides Vermont

13 cow dairy farmers with loans to spring operating and related needs including

14 refinancing debt. VEDA shall report to the Emergency Board at its July 2018

15 meeting on final program design and the use of these funds. \$250,000

16 (12) To the Agency of Agriculture, Food and Markets to partially offset

17 costs of participation in the Federal Margin Protection Program (MPP) for

18 dairy producers during the 2018 calendar year. Specifically these funds shall

19 be used to provide reimbursement grants to partially offset the premiums for

20 participation in Tier 1 of the MPP program. The Agency of Agriculture, Food

21 and Markets shall request that the Farm Services Agency provide participation

1 information for dairy producers in the margin protection program and other
2 information to assist the Agency to administer the grant program. Dairy
3 producers shall receive a single payment of approximately \$600, not to exceed
4 the premium paid for calendar year 2018, by separate check from the State of
5 Vermont. The Agency shall calculate a single farm payment amount based on
6 the funds appropriated and the actual participation in this program and shall
7 report to the Joint Fiscal Committee on or before November 10, 2019 on the
8 amount of the calculated payment. \$450,000

9 (13) To the Agency of Agriculture, Food and Markets to be carried
10 forward for a grant to the Vermont Housing and Conservation Board for
11 federal rural development grant writing assistance in fiscal year 2019.

12 \$75,000

13 (14) To the Agency of Human Services in fiscal year 2018 for any
14 remaining amount of the Medicaid financial requirements specified in Sec.
15 C.102 of this act that are not available within the funds appropriated in 2017
16 Acts and Resolves No. 85, Sec. B.301 as amended by 2018 Acts and Resolves
17 No. 87, Sec. 8. The Agency shall expend funds available in this appropriation
18 after meeting the requirements specified in Sec. C.102 of this act to the extent
19 available to maintain critical healthcare services that have lost federal funding
20 and to support substance use disorder activities including needle exchange
21 programs, active case management of opioid addicted persons and the

1 distribution of naloxone. The Agency shall report to the Joint Fiscal
2 Committee at its July and September 2018 meetings on the funds allocated for
3 the purposes allowed by this subdivision. \$7,100,000

4 (15) To the Agency of Commerce and Community Development to fund
5 expenses including the refund of subscriptions related to Vermont Life
6 Magazine. \$350,000

7 (b) Transfers:

8 (1) The amount of \$1,790,000 in General Funds shall be transferred and
9 reserved in the 27/53 Reserve in fiscal year 2018. This action is the fiscal year
10 2019 contribution to the 27th payroll reserve as required by 32 V.S.A. § 308e.

11 (2) \$453,292 shall be transferred to the Clean Energy Development
12 Fund as a result of final accounting reconciliation for the cost of solar energy
13 tax credits.

14 (3) An amount not to exceed \$9,800,000 shall be transferred to the
15 Education Fund to bring the Education Fund reserve to its statutory maximum
16 of five percent at the close of fiscal year 2018 and the close of fiscal year
17 2019.

18 (4) \$3,536,000 is transferred to the Vermont Life Magazine Enterprise
19 Fund to address accumulated operational deficits.

20 (c) Reversion: In fiscal year 2018, \$120,000 of the appropriation made in
21 2017 Acts and Resolves No. 85, Sec. C.100(c), shall revert to the General

1 Fund.

2 (d) Fund Balance Carried Forward:

3 (1) \$500,000 shall be reserved in the General Fund to carry forward to
4 be available in fiscal year 2019 to obviate any transfer of funds from the Clean
5 Energy Development Fund to the General Fund in fiscal year 2019.

6 *(2) \$34,500,000 shall be reserved in the General Fund to carry forward*
7 *to be available in fiscal year 2019.*

8 (e) Contingent Reserves: In fiscal year 2018, to the extent any remaining
9 unreserved and undesignated end-of-fiscal-year General Fund surplus remains
10 after satisfying the requirements of 32 V.S.A. § 308 and prior to the provisions
11 of 2017 Acts and Resolves No. 85, Sec. C.120 as amended by this act:

12 (1) \$12,000,000 shall be reserved in the General Fund and shall be
13 carried forward to be available in fiscal year 2019 to offset any one-time
14 personal income tax or corporate tax refund liabilities.

15 (2) Any remaining unreserved and undesignated end-of-fiscal-year
16 General Fund surplus is transferred to the Vermont Teachers' Retirement Fund
17 established pursuant to 16 V.S.A. § 1944.

18 Sec. D.100 APPROPRIATIONS; PROPERTY TRANSFER TAX

19 (a) This act contains the following amounts appropriated from special
20 funds that receive revenue from the property transfer tax. Expenditures from
21 these appropriations shall not exceed available revenues.

1 (1) The sum of \$518,000 is appropriated from the Current Use
2 Administration Special Fund to the Department of Taxes for administration of
3 the Use Tax Reimbursement Program. Notwithstanding 32 V.S.A. § 9610(c),
4 amounts above \$518,000 from the property transfer tax that are deposited into
5 the Current Use Administration Special Fund shall be transferred into the
6 General Fund.

7 (2) The sum of \$9,804,840 is appropriated from the Vermont Housing
8 and Conservation Trust Fund to the Vermont Housing and Conservation
9 Board. Notwithstanding 10 V.S.A. § 312, amounts above \$9,804,840 from the
10 property transfer tax and surcharge established by 32 V.S.A. § 9602a that are
11 deposited into the Vermont Housing and Conservation Trust Fund shall be
12 transferred into the General Fund.

13 (A) The dedication of \$2,500,000 in revenue from the property
14 transfer tax pursuant to 32 V.S.A. § 9610(d) for the debt payments on the
15 affordable housing bond (10 V.S.A. § 314) is to be offset by the reduction of
16 \$1,500,000 in the appropriation to the Vermont Housing and Conservation
17 Board (VHCB) and \$1,000,000 from the surcharge established by 32 V.S.A.
18 § 9602a. The fiscal year 2019 appropriation of \$9,804,840 to VHCB reflects
19 the \$1,500,000 reduction. The affordable housing bond and related property
20 transfer tax and surcharge provisions are repealed after the life of the bond on
21 July 1, 2039. Once the bond is retired, the \$1,500,000 reduction in the

1 appropriation to VHCB is intended to be restored.

2 (3) The sum of \$3,760,599 is appropriated from the Municipal and
3 Regional Planning Fund. Notwithstanding 24 V.S.A. § 4306(a), amounts
4 above \$3,760,599 from the property transfer tax that are deposited into the
5 Municipal and Regional Planning Fund shall be transferred into the General
6 Fund. The \$3,760,599 shall be allocated as follows:

7 (A) \$2,924,417 for disbursement to regional planning commissions
8 in a manner consistent with 24 V.S.A. § 4306(b);

9 (B) \$457,482 for disbursement to municipalities in a manner
10 consistent with 24 V.S.A. § 4306(b);

11 (C) \$378,700 to the Agency of Digital Services for the Vermont
12 Center for Geographic Information established in 10 V.S.A. § 122.

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

14 (a) Notwithstanding any other provision of law, the following amounts are
15 transferred from the funds indicated:

16 (1) From the General Fund to the Next Generation Initiative Fund
17 established by 16 V.S.A. § 2887: \$3,055,900.

18 (2) From the Clean Water Fund established by 10 V.S.A. § 1388 to the
19 Agricultural Water Quality Special Fund created under 6 V.S.A. § 4803:
20 \$1,670,000.

21 (3) From the Transportation Fund to the Downtown Transportation and

1 Related Capital Improvement Fund established by 24 V.S.A. § 2796 to be used
2 by the Vermont Downtown Development Board for the purposes of the Fund:
3 \$423,966.

4 (4) From the Transportation Infrastructure Bond Fund established by
5 19 V.S.A. § 11f to the Transportation Infrastructure Bonds Debt Service Fund
6 established by 32 V.S.A. § 951a for funding fiscal year 2020 transportation
7 infrastructure bonds debt service: \$2,497,663.

8 (b) Notwithstanding any provisions of law to the contrary, in fiscal year
9 2019:

10 (1) The following amounts shall be transferred to the General Fund
11 from the funds indicated:

12	<u>22005</u>	<u>AHS Central Office earned federal receipts</u>	<u>8,193,326.00</u>
13	<u>50300</u>	<u>Liquor Control Fund</u>	<u>1,805,000.00</u>
14		<u>Caledonia Fair</u>	<u>5,000.00</u>
15		<u>North Country Hospital Loan</u>	<u>24,250.00</u>

16 (2) The following estimated amounts, which may be all or a portion of
17 unencumbered fund balances, shall be transferred from the following funds to
18 the General Fund in fiscal year 2019. The Commissioner of Finance and
19 Management shall report to the Joint Fiscal Committee at its July meeting the
20 final amounts transferred from each fund and certify that such transfers will
21 not impair the agency, office, or department reliant upon each fund from

1 meeting its statutory requirements.

2 21638 AG-Fees & Reimbursements-Court Order 2,000,000.00

3 21928 Secretary of State Services Fund 2,607,923.00

4 62100 Unclaimed Property Fund 3,415,143.00

5 (3) In fiscal year 2019, notwithstanding 2016 Acts and Resolves No.
6 172, Sec. E.228, \$30,014,057 of the unencumbered balances in the Insurance
7 Regulatory and Supervision Fund (Fund Number 21075), the Captive
8 Insurance Regulatory and Supervision Fund (Fund Number 21085), and the
9 Securities Regulatory and Supervision Fund (Fund Number 21080) shall be
10 transferred to the General Fund.

11 (A) Any remaining unencumbered balances in these funds in fiscal
12 year 2019 up to the amount of \$6,080,000 shall remain in these funds for
13 transfer to the General Fund in fiscal year 2020 consistent with the intent of
14 2016 Acts and Resolves No. 172, Sec. E.228. Fiscal year 2019 unencumbered
15 balances above this amount shall be transferred to the General Fund and
16 reserved in the General Fund Balance Reserve (Rainy Day Fund).

17 (c) Notwithstanding any provisions of law to the contrary, in fiscal year
18 2019:

19 (1) The following amounts shall revert to the General Fund from the
20 accounts indicated:

21 1130010000 Department of Libraries 234,209.00

1	<u>1210001000</u>	<u>Legislative Council</u>	<u>113,000.00</u>
2	<u>1210002000</u>	<u>Legislature</u>	<u>175,000.00</u>
3	<u>1220000000</u>	<u>Joint Fiscal Office</u>	<u>30,000.00</u>

4 (d) To the extent that the Emergency Board determines at its July 2018
5 meeting that the fiscal year 2019 available General Fund forecast exceeds
6 \$1,568,200,000 as adjusted by any tax or revenue changes made through the
7 2018 legislative session:

8 (1) Funds carried forward in accordance with the provisions of
9 Sec. C.1000(e) of this act shall be transferred to the Vermont Teachers'
10 Retirement Fund established pursuant to 16 V.S.A. § 1944.

11 Sec. D.102 TOBACCO LITIGATION SETTLEMENT FUND BALANCE

12 (a) Notwithstanding 18 V.S.A. § 9502(b), the actual balances at the end of
13 fiscal year 2018 in the Tobacco Litigation Settlement Fund established by
14 32 V.S.A. § 435a shall remain for appropriation in fiscal year 2019.

15 Sec. D.103 TRANSFER OF TOBACCO TRUST FUNDS

16 (a) Notwithstanding 18 V.S.A. § 9502(a)(3) and (4), the actual amount of
17 investment earnings of the Tobacco Trust Fund at the end of fiscal year 2019
18 and any additional amount necessary to ensure the balance in the Tobacco
19 Litigation Settlement Fund at the close of fiscal year 2019 is not negative shall
20 be transferred in fiscal year 2019 from the Tobacco Trust Fund established by
21 18 V.S.A. § 9502(a) to the Tobacco Litigation Settlement Fund established by

1 32 V.S.A. § 435a.

2 Sec. D.104 GLOBAL COMMITMENT TRANSFER

3 (a) The fund balance in the Global Commitment Fund, estimated to be up
4 to \$79,846,983 as of June 30, 2018, shall be transferred as follows:

5 (1) \$1,760,000 shall be transferred to the General Fund and reserved in
6 the 27/53 Reserve under 32 V.S.A. § 308e in order to fund the fiscal year 2019
7 obligation of the next year in which a 53rd week of Medicaid payments is due,
8 scheduled to occur in fiscal year 2022.

9 (2) Notwithstanding 32 V.S.A. § 308b, \$64,022,729 shall be transferred
10 to the General Fund and reserved in the Human Services Caseload Reserve
11 and, within that Reserve, specifically reserved in the sub-account for any
12 incurred but not reported Medicaid expenses associated with the current
13 Medicaid Global Commitment waiver, reflecting the estimated amount of the
14 State share of this potential obligation as of June 30, 2017.

15 (3) Notwithstanding 32 V.S.A. § 308b, up to \$14,064,254 shall be
16 transferred to the General Fund and reserved in the Human Services Caseload
17 Reserve, and within that Reserve, specifically reserved in the sub-account for
18 Medicaid-related pressures related to caseload, utilization, and changes in
19 federal participation in existing human services programs.

20 Sec. D.104.1 [DELETED]

21 Sec. D.105 32 V.S.A. § 308b is amended to read:

1 § 308b. HUMAN SERVICES CASELOAD RESERVE

2 (a) There is created within the General Fund a Human Services Caseload
3 ~~Management~~ Reserve. Expenditures from the Reserve shall be subject to an
4 appropriation by the General Assembly or approval by the Emergency Board.
5 Expenditures from the Reserve shall be limited to Agency of Human Services
6 caseload-related needs primarily in the Departments for Children and Families;
7 of Health; of Mental Health; of Disabilities, Aging, and Independent Living;
8 ~~and of Vermont Health Access; and settlement costs associated with managing~~
9 the Global Commitment waiver.

10 (b) The Secretary of Administration may transfer to the Human Services
11 Caseload Reserve any General Fund carry-forward directly attributable to
12 Agency of Human Services caseload reductions and the effective management
13 of related federal receipts, with the exclusion of the Department of
14 Corrections.

15 (c) The Human Services Caseload Reserve shall contain two sub-accounts:

16 (1) A sub-account for incurred but not reported Medicaid expenses.
17 Each year beginning with fiscal year 2020, the Department of Finance and
18 Management shall adjust the amount reserved for incurred but not reported
19 Medicaid expenses to equal the amount specified in the Comprehensive
20 Annual Financial Report as of June 30th of the prior fiscal year for the
21 estimated amount of incurred but not reported Medicaid expenses associated

1 with the current Medicaid Global Commitment waiver.

2 (2) A sub-account for Medicaid-related pressures related to caseload,
3 utilization, changes in federal participation in existing human services
4 programs, and settlement costs associated with managing the Global
5 Commitment waiver. Any decrease in the amount of required reserves in
6 subdivision (1) of this subsection shall first be reserved in the 27/53 Reserve
7 under section 308e of this title in order to fund the current fiscal year
8 obligation for the next year in which a 53rd week of Medicaid payments is
9 due, next scheduled to occur in fiscal year 2022. The remainder shall result in
10 an offsetting increase in the account for Medicaid-related pressures, as defined
11 in subdivision (2) of this subsection. Any increase in the amount of required
12 reserve in subdivision (1) of this subsection shall require a corresponding
13 transfer from the funds reserved in subdivision (2) of this subsection, to the
14 extent there are funds available.

15 Sec. D.106 [DELETED]

16 Sec. D.107 32 V.S.A. § 308c is amended to read:

17 § 308c. GENERAL FUND AND TRANSPORTATION FUND BALANCE

18 RESERVES

19 (a) There is hereby created within the General Fund a General Fund
20 Balance Reserve, also known as the “Rainy Day Reserve.” After satisfying the
21 requirements of section 308 of this title, and after other reserve requirements

1 have been met, any remaining unreserved and undesignated end of fiscal year
2 General Fund surplus shall be reserved in the General Fund Balance Reserve.
3 The General Fund Balance Reserve shall not exceed five percent of the
4 appropriations from the General Fund for the prior fiscal year without
5 legislative authorization.

6 (1) ~~The Emergency Board shall determine annually at its July meeting~~
7 ~~the amount of available general funds that is greater than the amount of~~
8 ~~forecasted available general funds most recently adopted by the Board for the~~
9 ~~current fiscal year adjusted by any legislative action projected to increase~~
10 ~~General Fund taxes that result in additional revenue in excess of \$1,000,000.00~~
11 ~~over the revenue raised without legislative action in the current fiscal year. An~~
12 ~~amount not to exceed 33 percent of the amount determined in subdivision (1)~~
13 ~~shall be added to the base amount used to calculate the General Fund transfer~~
14 ~~under 16 V.S.A. § 4025(a)(2) for the next fiscal year. However, the amount to~~
15 ~~be added to the base amount used to calculate the General Fund transfer shall~~
16 ~~also not exceed 33 percent of the total amount which would be reserved in this~~
17 ~~subsection if not for the requirements of subdivisions (2) and (3) of this~~
18 ~~subsection. [Repealed.]~~

19 (2) ~~Of the funds that would otherwise be reserved in the General Fund~~
20 ~~Balance Reserve under this subsection, 25 percent of any such funds shall be~~
21 ~~transferred from the General Fund to the Education Fund. [Repealed.]~~

1 statutory requirements, taking into consideration actions taken during the 2018
2 legislative session.

3 Sec. D.110 FORECAST CONTINGENT TRANSFER FROM GENERAL
4 FUND TO EDUCATION FUND

5 (a) If the total sales and use tax forecast adopted by the Emergency Board
6 in July 2018 for fiscal year 2019 (the “adopted forecast”) is less than
7 \$403,900,000, then the Commissioner of Finance and Management shall
8 unreserve from the General Fund Balance Reserve (the “Rainy Day Fund”)
9 and transfer to the Education Fund an amount equaling the difference between
10 the adopted forecast and \$403,900,000; provided, however, that not more than
11 \$3,000,000 shall be unreserved and transferred. The Commissioner of Finance
12 and Management shall not transfer any funds if the adopted forecast is greater
13 than \$403,900,000.

14 * * * GENERAL GOVERNMENT * * *

15 Sec. E.100 EXECUTIVE BRANCH POSITION AUTHORIZATIONS

16 (a) The establishment of the following new permanent classified positions
17 is authorized in fiscal year 2019:

18 (1) In the Agency of Education – one (1) Finance Administrator II and
19 one (1) School Finance Analyst. The positions established in this subdivision
20 shall be transferred and converted from existing vacant positions in the
21 Executive Branch and shall not increase the total number of authorized State

1 positions, as defined in Sec. A.107 of this act.

2 (b) The conversion of classified limited service positions to classified
3 permanent status is authorized in fiscal year 2019 as follows:

4 (1) In the Department of Public Safety – one (1) Financial
5 Administrator II (position #330359) and one (1) Public Assistance
6 Administrator (position #330361).

7 (2) In the Green Mountain Care Board – one (1) Board Legal
8 Technician (position #270012), one (1) Health Policy Advisor (position
9 #270013), and one (1) Evaluation Manager (position #270017).

10 (3) In the Agency of Education – one (1) Education Programs
11 Coordinator I (position #770468).

12 (c) The conversion of exempt limited service positions to classified
13 permanent status is authorized in fiscal year 2019 as follows:

14 (1) In the Department of Public Safety – one Public Assistance Officer
15 (position #337013).

16 Sec. E.100.1 2014 Acts and Resolves No. 179, Sec. E.100(d), as amended by
17 2015 Acts and Resolves No. 4, Sec. 74, by 2016 Acts and Resolves No.172,
18 Sec. E.100.2, and by 2017 Acts and Resolves No. 85, Sec. E.100.1, is further
19 amended to read:

20 (d) Position Pilot Program. A Position Pilot is hereby created to assist
21 participating departments in more effectively managing costs of overtime,

1 compensatory time, temporary employees, and contractual work by removing
2 the position cap with the goal of maximizing resources to the greatest benefit
3 of Vermont taxpayers.

4 (1) Notwithstanding Sec. A.107 of this act, the Agency of
5 Transportation, the Department for Children and Families, the Agency of
6 Natural Resources, the Department of Buildings and General Services, the
7 Department of Labor, the Department of Corrections, ~~and~~ the Department of
8 Public Safety, the Department of State's Attorneys and Sheriffs, and the
9 Vermont Veterans' Home shall not be subject to the cap on positions for the
10 duration of the Pilot.

11 (A) The Department of Corrections is authorized to add only
12 Correctional Officer I and II positions.

13 (B) The Department of State's Attorneys and Sheriffs is authorized to
14 add only State's Attorney positions.

15 (C) The Vermont Veterans' Home is authorized to add direct care
16 positions, including part-time positions. Prior to authorizing positions under
17 subdivision (d)(2) of this section, the Secretary of Administration shall be
18 provided the financial analysis from the Vermont Veterans' Home reviewed by
19 the Commissioner of Finance and Management which demonstrates reduction
20 in the cost of overtime expenses or other expenses equal to or greater than the
21 projected cost of the positions for the current and successive fiscal year of

1 operations.

2 * * *

3 (7) This Pilot shall sunset on July 1, 2018 2020, unless extended or
4 modified by the General Assembly.

5 (8) On or before January 15, 2018 2019, the Commissioner of Human
6 Resources, in coordination with the Vermont State Employees' Association
7 (VSEA), shall provide a report ~~by department~~ on the total number of positions
8 created under the authority of this section to the House and Senate Committees
9 on Appropriations. The ~~Commissioner~~ report shall include ~~in the report~~ a
10 recommendation on whether this program should be expanded and continue
11 and, if so, should it be extended but remain in session law or be made
12 permanent by codification in statute.

13 Sec. E.100.2 [DELETED]

14 Sec. E.105 Agency of digital services

15 (a) Of the internal service funds appropriated in Sec. B.105 of this act, up
16 to \$600,000 is appropriated for a 24/7 cybersecurity operations center. These
17 funds may only be spent upon approval of a budget and a spending plan by the
18 Joint Fiscal Committee at its July 2018 meeting.

19 (1) The Agency shall consult with the information technology
20 consultant to the Joint Fiscal Office in developing the budget and plan.

21 (2) The Joint Fiscal Office Information Technology Consultant shall

1 present a report to the Joint Fiscal Committee to accompany the Agency's
2 submission to provide an independent recommendation and review of the
3 proposed budget and plan.

4 Sec. E.105.1 AGENCY OF DIGITAL SERVICES; REPORT ON STATE
5 INFORMATION TECHNOLOGY EFFICIENCIES

6 (a) On or before January 15, 2019, the Secretary of Digital Services shall
7 demonstrate in a report to the Senate Committees on Appropriations and on
8 Government Operations and the House Committees on Appropriations and on
9 Energy and Technology that the consolidation of State information technology
10 services under the jurisdiction of the Agency has been at a minimum cost-
11 neutral and shall specifically provide in this report the estimated dates on
12 which the following will occur:

13 (1) the Agency's internal service fund negative balance will be
14 reduced; and

15 (2) agency and department information technology charges paid to the
16 Agency will be lowered.

17 Sec. E.111 Tax – administration/collection

18 (a) Of this appropriation, \$15,000 is from the Current Use Administration
19 Special Fund established by 32 V.S.A. § 9610(c) and shall be appropriated for
20 programming changes to the CAPTAP software used by municipalities for
21 establishing property values and administering their grand lists.

1 Sec. E.111.1 2007 Acts and Resolves No. 65, Sec. 282, as amended by 2011
2 Acts and Resolves No. 63, Sec. C.103, as amended by 2013 Acts and Resolves
3 No. 1, Sec. 65, as amended by 2014 Acts and Resolves No. 95, Sec. 62, as
4 amended by 2018 Acts and Resolves No. 85, Sec. 47, is further amended to
5 read:

6 Sec. 282. TAX COMPUTER SYSTEM MODERNIZATION FUND

7 (a) Creation of fund.

8 (1) There is established the Tax Computer System Modernization
9 Special Fund to consist of:

10 (A) The tax receipts received as a direct result of the data warehouse
11 project initiated by the Department of Taxes beginning in calendar year
12 2011; and

13 (B) Eighty percent of tax receipts received as a direct result of the
14 data sharing and comparison project between the Vermont Department of
15 Labor and the Department of Taxes relative to entity and employee filings at
16 both departments and/or lack thereof; and

17 (C) The incremental tax receipts received as a direct result of the
18 implementation of the integrated tax system beginning in calendar year 2014,
19 including any additional data warehouse modules. The Commissioner of
20 Finance and Management shall approve baseline tax receipts in order to
21 measure the increment from the new integrated tax system.

1 (2) Balances in the Fund shall be administered by the Department of
2 Taxes and used for the exclusive purposes of funding: A) ancillary
3 development of information technology systems necessary for implementation
4 and continued operation of the data warehouse project; B) payments due to the
5 vendor under the data warehouse project contract; C) enhanced compliance
6 costs related to the data warehouse project; D) planning for an integrated tax
7 system solution, including present-day analysis of business case and business
8 requirements, requests for proposals and due diligence; E) implementation of
9 tax types and any additional data warehouse modules into the selected
10 integrated tax system solution; F) a micro-simulation model for use by the
11 Department of Taxes and the Joint Fiscal Office; and G) implementation of an
12 ancillary scanning system to enhance the operation of tax types incorporated
13 into the integrated tax system solution. All balances in the Fund at the end of
14 any fiscal year shall be carried forward and remain part of the Fund. Interest
15 earned by the Fund shall be deposited into the Fund. This Fund is established
16 in the State Treasury pursuant to 32 V.S.A. chapter 7, subchapter 5.

17 (b) Appropriation.

18 (1) There is appropriated in fiscal year 2008 from the Special Fund the
19 sum of up to \$7,800,000 to the Department of Taxes for the purposes
20 described in subdivision (a)(2) of this section. The Commissioner shall
21 anticipate receipts in accordance with 32 V.S.A. § 588(4)(C).

1 (c) Transfer.

2 (1) Twenty percent of the tax receipts received pursuant to subdivision
3 (a)(1)(A) of this section after payment to the vendor under the data warehouse
4 contract shall be transferred to the General Fund annually for the duration of
5 that contract. Thereafter, 20 percent of the tax receipts received pursuant to
6 subdivision (a)(1)(A) shall be transferred to the ~~General~~ Fund which would
7 receive the underlying tax receipts annually until the expiration of the Tax
8 Computer System Modernization Fund.

9 (2) Twenty percent of the incremental tax receipts calculated pursuant to
10 subdivision (a)(1)(C) shall be transferred to the ~~General~~ Fund which would
11 receive the underlying tax receipts annually until the expiration of the Tax
12 Computer Modernization Fund.

13 (d) Fund to terminate.

14 (1) This Fund shall terminate on July 1, 2024, provided that all amounts
15 due pursuant to contract with the vendor of an integrated tax solution
16 referenced in subdivision (a)(1)(C) of this section have been paid and any
17 unexpended unencumbered balance in the Fund shall be transferred to the
18 General Fund.

19 (e) The Commissioner of Taxes shall report to the Joint Fiscal Committee
20 on fund receipts at or prior to the November Joint Fiscal Committee meeting
21 each year until the Fund is terminated.

1 Sec. E.113 Buildings and general services – engineering

2 (a) The \$3,432,525 interdepartmental transfer in this appropriation shall be
3 from the fiscal year 2019 General Bond Fund appropriation in the Capital Bill
4 of the 2017 legislative session (2017 Acts and Resolves No. 85, Sec. 2(c)(3)).

5 Sec. E.114 29 V.S.A. § 169 is amended to read:

6 § 169. BROCHURE DISTRIBUTION FEES

7 * * *

8 (b) A special fund is established to be administered as provided under
9 32 V.S.A. chapter 7, subchapter 5 of chapter 7 of Title 32, and to be known as
10 the brochure distribution special fund Brochure Distribution Special Fund for
11 the purposes of ensuring that the fees collected under this section are utilized
12 to fund travel destination promotion, ~~and~~ information at the ~~state's~~ State's
13 travel information centers, and operations and maintenance of State travel
14 information centers. Revenues to the ~~fund~~ Fund shall be those fees collected
15 for the placement and distribution of brochures of businesses in the ~~state~~ State
16 travel information centers and in other locations deemed appropriate by the
17 ~~department~~ Department.

18 * * *

19 Sec. E.126 LEGISLATIVE BRANCH WORKFORCE COMPARATIVE
20 EVALUATION

21 (a) The Speaker of the House and President Pro Tempore of the Senate

1 shall contract with the National Conference of State Legislatures (NCSL) to
2 perform a comprehensive evaluation of compensation, staffing,
3 workload, and organization concerning the staff and offices of the Vermont
4 General Assembly.

5 (b) NCSL's evaluation shall examine and provide recommendations on the
6 following issues:

7 (1) Compensation.

8 (A) Comparison between the salaries and other compensation earned
9 by staff of the Vermont General Assembly and the salaries and compensation
10 earned by employees with similar responsibilities, workload, qualifications,
11 and experience of:

12 (i) the Executive and Judicial Branches of Vermont State
13 government;

14 (ii) other state legislatures; and

15 (iii) the private sector, if appropriate.

16 (B) Analysis of how states use salary schedules or other systems for
17 determining the salaries of legislative employees.

18 (2) Staffing and workload.

19 (A) Analysis of the workload for each job description or category of
20 legislative staff and each office or unit of the General Assembly as compared
21 with employees with similar responsibility, workload, qualifications, and

1 experience in:

2 (i) the Executive and Judicial Branches of Vermont State

3 government;

4 (ii) other state legislatures; and

5 (iii) the private sector, if appropriate.

6 (B) The analysis of workload pursuant to subdivision (A) of this

7 subdivision (2) shall include a comparison of:

8 (i) the job posting or job description relevant to each category or

9 position;

10 (ii) the number of legislative members and committees that

11 employees are responsible for or responsive to;

12 (iii) the range of responsibilities; and

13 (iv) the professional background, qualifications, subject matter

14 expertise, or experience required by the job description or necessary to fulfill

15 the position's responsibilities.

16 (3) Organization and structure.

17 (A) A comparison to other states of the current organization,

18 structure, and oversight of the offices of the General Assembly, including:

19 (i) the strengths and weaknesses of the current organization and

20 structure; and

21 (ii) alternative structures, if any, that may increase efficiency and

1 improve the support and services provided to the members of the General
2 Assembly.

3 (c) NCSL shall submit a final written report to the Speaker of the House,
4 the President Pro Tempore of the Senate, the Joint Fiscal Committee, the
5 Legislative Council Committee, the Joint Information Technology Oversight
6 Committee, the House Rules Committee, the Senate Rules Committee, and the
7 Joint Rules Committee on or before November 16, 2018.

8 Sec. E.126.1 JOINT LEGISLATIVE JUSTICE OVERSIGHT

9 COMMITTEE; SYSTEM-WIDE REVIEW

10 (a) During the 2018 legislative interim, the Joint Legislative Justice
11 Oversight Committee shall undertake a review of Vermont's justice system,
12 including both State and local functions. With a focus on reducing crime,
13 improving public safety, decreasing recidivism, and increasing accountability
14 and cost-efficiencies, the review shall include evaluating:

15 (1) the Vermont State Auditor's 2017 report to the General Assembly on
16 State and local spending on public safety;

17 (2) the existing administrative framework and physical infrastructure for
18 redundancies and inefficiencies;

19 (3) existing criminal penalties and corrections policies;

20 (4) the manner by which the justice system utilizes technology; and

21 (5) strategies to reform the structure of the justice system to ensure

1 consistency and cost-efficiency statewide.

2 (b) Any resulting recommendations to the General Assembly shall be in the
3 form of proposed legislation.

4 Sec. E.126.2 2 V.S.A. chapter 18 is added to read:

5 CHAPTER 18. JOINT INFORMATION TECHNOLOGY

6 OVERSIGHT COMMITTEE

7 * * *

8 § 614. JOINT INFORMATION TECHNOLOGY OVERSIGHT

9 COMMITTEE

10 (a) Creation. There is created the Joint Information Technology Oversight
11 Committee to oversee investments in and use of information technology in
12 Vermont.

13 (b) Membership. The Committee shall be composed of six members as
14 follows:

15 (1) three members of the House of Representatives, not all of whom
16 shall be from the same political party, who shall be appointed by the Speaker
17 of the House; and

18 (2) three members of the Senate, not all of whom shall be from the same
19 political party, who shall be appointed by the Committee on Committees.

20 (c) Powers and duties. The Committee shall oversee, evaluate, and make
21 recommendations on the following:

1 (1) the State's current deployment, management, and oversight of
2 information technology in the furtherance of State governmental activities,
3 including data processing systems, telecommunications networks, and related
4 technologies, particularly with regard to issues of compatibility among existing
5 and proposed technologies;

6 (2) issues related to the storage of, maintenance of, access to, privacy
7 of, and restrictions on use of computerized records;

8 (3) issues of public policy related to the development and promotion of
9 the private, commercial, and nonprofit information infrastructure in the State,
10 its relationship to the State government information infrastructure, and its
11 integration with national and international information networks; and

12 (4) cybersecurity.

13 (d) Assistance. The Committee shall have the administrative, technical,
14 and legal assistance of the Office of Legislative Council and the Joint Fiscal
15 Office.

16 (e) Meetings.

17 (1) The Committee shall elect a chair and vice chair from among its
18 members and shall adopt rules of procedure. The Chair shall rotate biennially
19 between the House and Senate members.

20 (2) A majority of the membership shall constitute a quorum.

21 (3) The Committee may meet when the General Assembly is not in

1 session or at the call of the Chair.

2 (f) Reimbursement. For attendance at meetings during adjournment of the
3 General Assembly, members of the Committee shall be entitled to per diem
4 compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406.

5 Sec. E.127 REVIEW AND EVALUATION OF DEPARTMENT OF
6 CORRECTIONS HEALTH CARE SERVICES

7 (a) The Joint Fiscal Office (JFO), in coordination with the Office of
8 Legislative Council, shall review and evaluate the policies, contracts, and
9 processes the Department of Corrections (DOC) uses to deliver health care
10 services to assess whether current costs are excessive. The evaluation shall
11 include a review of whether there is potential for the State to achieve savings
12 in providing health care services to inmates and whether the State is
13 contracting for appropriate services.

14 (b) The JFO is authorized to contract for all or part of the review and
15 evaluation described in subsection (a) of this section. The JFO shall also
16 receive the assistance of the Agency of Human Services and any other relevant
17 State government entity, as needed.

18 (c) On or before November 1, 2018, the JFO shall submit an update on the
19 review and evaluation described in subsection (a) of this section to the Joint
20 Legislative Justice Oversight Committee. On or before January 15, 2019, the
21 JFO shall submit a final report to the House Committees on Appropriations, on

1 Corrections and Institutions, and on Health Care, and the Senate Committees
2 on Appropriations, on Institutions, and on Health and Welfare.

3 Sec. E.133 Vermont state retirement system

4 (a) Notwithstanding 3 V.S.A. § 473(d), in fiscal year 2019, investment fees
5 shall be paid from the corpus of the Fund.

6 Sec. E.139 [DELETED]

7 Sec. E.142 Payments in lieu of taxes

8 (a) This appropriation is for State payments in lieu of property taxes under
9 32 V.S.A. chapter 123, subchapter 4, and the payments shall be calculated in
10 addition to and without regard to the appropriations for PILOT for Montpelier
11 and for correctional facilities elsewhere in this act. Payments in lieu of taxes
12 under this section shall be paid from the PILOT Special Fund under 32 V.S.A.
13 § 3709.

14 Sec. E.142.1 PILOT SPECIAL FUND PAYMENTS

15 (a) Total payments from the PILOT Special Fund under 32 V.S.A. § 3709
16 include the appropriation of \$8,036,000 in Sec. B.142 of this act, the
17 appropriation of \$184,000 for the City of Montpelier in Sec. B.143 of this act,
18 the appropriation of \$40,000 for correctional facilities in Sec. B.144 of this
19 act, and the appropriation of \$146,000 for the supplemental facility payments
20 from the Department of Corrections to the City of Newport and the Town of
21 Springfield in Sec. B.338 of this act.

1 Sec. E.143 Payments in lieu of taxes – Montpelier

2 (a) Payments in lieu of taxes under this section shall be paid from the
3 PILOT Special Fund under 32 V.S.A. § 3709.

4 Sec. E.144 Payments in lieu of taxes – correctional facilities

5 (a) Payments in lieu of taxes under this section shall be paid from the
6 PILOT Special Fund under 32 V.S.A. § 3709.

7 * * * PROTECTION TO PERSONS AND PROPERTY * * *

8 Sec. E.200 Attorney general

9 (a) Notwithstanding any other provisions of law, the Office of the Attorney
10 General, Medicaid Fraud and Residential Abuse Unit, is authorized to retain,
11 subject to appropriation, one-half of the State share of any recoveries from
12 Medicaid fraud settlements, excluding interest, that exceed the State share of
13 restitution to the Medicaid Program. All such designated additional recoveries
14 retained shall be used to finance Medicaid Fraud and Residential Abuse Unit
15 activities.

16 (b) Of the revenue available to the Attorney General under 9 V.S.A.
17 § 2458(b)(4), \$1,390,500 is appropriated in Sec. B.200 of this act.

18 Sec. E.200.1 3 V.S.A. § 167a is added to read:

19 § 167a. COMPLEX LITIGATION SPECIAL FUND

20 (a) There is established the Complex Litigation Special Fund pursuant to
21 32 V.S.A. chapter 7, subchapter 5 to be available for expenditure by the

1 Attorney General, as annually appropriated or authorized pursuant to
2 32 V.S.A. § 511, to pay nonroutine expenses, not otherwise budgeted, incurred
3 in the investigation, prosecution, and defense of complex civil and criminal
4 litigation. These expenses may include, for example, costs incurred for expert
5 witnesses and for support staff and technology needed to review and manage
6 voluminous documents in discovery and at trial in complex cases.

7 (b) The Fund shall consist of:

8 (1) Such sums as may be appropriated or transferred by the General
9 Assembly.

10 (2) Settlement monies other than consumer restitution collected by the
11 Office of the Attorney General, except for those recoveries that by law are
12 transferred or appropriated for other uses pursuant to 9 V.S.A. § 2458(b)(4),
13 and subject to the Fund balance cap in subsection (c) of this section.

14 (c) The unencumbered Fund balance shall not exceed \$1,000,000.00.

15 (d) The Attorney General shall submit a report of the amount and purpose
16 of expenditures from the Fund at the close of each fiscal year to the Joint
17 Fiscal Committee annually on or before September 1. As part of the annual
18 budget submission, the Attorney General shall include a projection of the Fund
19 balance for the current fiscal year and upcoming fiscal year and may
20 recommend appropriations as needed consistent with the purpose of the Fund.

21 Sec. E.200.2 3 V.S.A. § 152 is amended to read:

1 § 152. SCOPE OF AUTHORITY

2 The Attorney General may represent the State in all civil and criminal
3 matters as at common law and as allowed by statute. The Attorney General
4 shall also have the same authority throughout the State as a State's Attorney.
5 The Attorney General shall represent members of the General Assembly in all
6 civil matters arising from or relating to the performance of legislative duties.

7 Sec. E.200.3 3 V.S.A. § 157 is amended to read:

8 § 157. APPEARANCE FOR STATE

9 The Attorney General shall appear for the State in the preparation and trial
10 of all prosecutions for homicide and civil or criminal causes in which the State
11 is a party or is interested when, in his or her judgment, the interests of the
12 State so require. The Attorney General shall represent members of the General
13 Assembly in all civil causes arising from or relating to the performance of
14 legislative duties.

15 Sec. E.200.4 ATTORNEY GENERAL POSITION

16 (a) The establishment of one (1) permanent classified position - IT
17 Specialist II - is authorized in fiscal year 2019.

18 Sec. E.204 JUDICIAL BRANCH POSITIONS

19 (a) The establishment of seven (7) new permanent exempt positions is
20 authorized in fiscal year 2019 as follows: five (5) Docket Clerk B and two (2)
21 Law Clerk.

1 Sec. E.207 INMATE TRANSPORTATION WORK GROUP

2 (a) There is established an Inmate Transportation Work Group to study
3 Vermont's system of transporting inmates for court appearances and make
4 recommendations for improving the system's processes and efficiency and
5 reducing its cost.

6 (b) The Work Group shall be composed of the following members:

7 (1) The Secretary of Administration or designee.

8 (2) The Chief Superior Judge or designee.

9 (3) The Executive Director of the Department of State's Attorneys and
10 Sheriffs or designee.

11 (4) The President of the Vermont Sheriffs' Association or designee.

12 (5) The Defender General or designee.

13 (6) The Commissioner of Corrections or designee.

14 (7) The Commissioner of Mental Health or designee.

15 (8) The Commissioner for Children and Families or designee.

16 (c) The Work Group shall study how to develop and implement a system
17 that ensures inmates are transported to court when necessary in the most cost-
18 effective and efficient manner possible. The study shall include:

19 (1) any recommendations for process improvements to the current
20 inmate transport system;

21 (2) recommendations for methods to ensure that transport deputies are

1 available when needed;

2 (3) analysis of whether transport should be provided by the Judiciary,
3 the Executive, or a statewide entity; and

4 (4) consideration of whether transported inmates should be permitted to
5 be scheduled first in court proceedings in order to reduce transport deputy
6 costs.

7 (d) On or before November 1, 2018, the Work Group shall submit a report
8 to the Senate and House Committees on Appropriations and Judiciary, the
9 House Committee on Corrections and Institutions, and the Senate Committee
10 on Institutions containing its recommendations, including any proposals for
11 legislative action.

12 Sec. E.208 Public safety – administration

13 (a) The Commissioner of Public Safety is authorized to enter into a
14 contract with the Essex County Sheriff’s Department to provide law
15 enforcement service activities agreed upon by both the Commissioner of
16 Public Safety and the Sheriff.

17 (b) Up to \$86,000 of any funds appropriated in 2017 Acts and Resolves
18 No. 85, Sec. C.100(e) may be carried forward to fiscal year 2019 and used for
19 the purchase of Taser electroshock weapons by the State Police.

20 Sec. E.209 Public safety – state police

21 (a) Of this appropriation, \$35,000 in special funds shall be available for

1 snowmobile law enforcement activities and \$35,000 in general funds shall be
2 available to the Southern Vermont Wilderness Search and Rescue Team, which
3 comprises State Police, the Department of Fish and Wildlife, county sheriffs,
4 and local law enforcement personnel in Bennington, Windham, and Windsor
5 Counties, for snowmobile enforcement.

6 (b) Of this appropriation, \$405,000 is allocated for grants in support of the
7 Drug Task Force and the Gang Task Force. Of this amount, \$190,000 shall be
8 used by the Vermont Drug Task Force to fund three town task force officers.
9 These town task force officers shall be dedicated to enforcement efforts with
10 respect to both regulated drugs as defined in 18 V.S.A. § 4201(29) and the
11 diversion of legal prescription drugs. Any unobligated funds may be allocated
12 by the Commissioner to fund the work of the Drug Task Force and to support
13 the efforts of the Mobile Enforcement Team (Gang Task Force) or carried
14 forward.

15 Sec. E.212 Public safety – fire safety

16 (a) Of this General Fund appropriation, \$55,000 shall be granted to the
17 Vermont Rural Fire Protection Task Force for the purpose of designing dry
18 hydrants.

19 Sec. E.215 Military – administration

20 (a) The amount of \$474,000 shall be disbursed to the Vermont Student
21 Assistance Corporation for the National Guard Educational Assistance

1 Program established in 16 V.S.A. § 2856 and § 2857 as established in this act.

2 Of this amount, \$324,000 shall be general funds appropriated in Sec. B.215

3 and \$150,000 shall be Next Generation special funds, as appropriated in Sec.

4 B.1100(a)(3)(B) of this act.

5 Sec. E.215.1 16 V.S.A. § 2857 is added to read:

6 § 2857. VERMONT NATIONAL GUARD TUITION BENEFIT

7 PROGRAM

8 (a) Program creation. The Vermont National Guard Tuition Benefit

9 Program (Program) is created, under which a member of the Vermont National

10 Guard (member) who meets the eligibility requirements in subsection (c) of

11 this section is entitled to the following tuition benefit for up to full-time

12 attendance:

13 (1) For courses at either campus of the Northern Vermont University

14 (NVU), the University of Vermont and State Agricultural College (UVM), or

15 at the Community College of Vermont (CCV), the benefit shall be the in-state

16 residence tuition rate for the relevant institution.

17 (2) For courses at a Vermont State College other than NVU, or at any

18 eligible Vermont private postsecondary institution, the benefit shall be the in-

19 state tuition rate charged by NVU.

20 (3) For courses at an eligible training institution offering nondegree,

21 certificate training, or continuing education programs, the benefit shall be the

1 lower of the institution's standard tuition or the in-state tuition rate charged by
2 NVU.

3 (b) The tuition benefit provided under the Program shall be paid on behalf
4 of the member by the Vermont Student Assistance Corporation (VSAC),
5 subject to the appropriation of funds by the General Assembly specifically for
6 this purpose. An eligible Vermont postsecondary institution that accepts or
7 receives the tuition benefit on behalf of a member shall charge the member the
8 tuition rate for an in-state student. The amount of tuition for a member who
9 attends an educational institution under the Program on less than a full-time
10 basis shall be reduced to reflect the member's course load in a manner
11 determined by VSAC under subdivision (f)(1) of this section. The tuition
12 benefit shall be conditioned upon the member's executing a promissory note
13 obligating the member to repay the member's tuition benefit, in whole or in
14 part, if the member fails to complete the period of Vermont National Guard
15 service required in subsection (d) of this section, or if the member's benefit is
16 terminated pursuant to subdivision (e)(1) of this section.

17 (c) Eligibility. To be eligible for the Program, an individual, whether a
18 resident or nonresident, shall satisfy all of the following requirements:

19 (1) be an active member of the Vermont National Guard;

20 (2) have successfully completed basic training;

21 (3) be enrolled at UVM, a Vermont State College, or any other college

1 or university located in Vermont in a program that leads to an undergraduate
2 certificate or degree or at an eligible training institution in a program that leads
3 to a certificate or other credential recognized by VSAC;

4 (4) have not previously earned an undergraduate bachelor's degree;

5 (5) continually demonstrate satisfactory academic progress as
6 determined by criteria established by the Vermont National Guard and VSAC,
7 in consultation with the educational institution at which the individual is
8 enrolled under the Program;

9 (6) have exhausted any post-September 11, 2001 tuition benefits and
10 other federally funded military tuition assistance; provided, however, that this
11 subdivision shall not apply to Montgomery GI Bill benefits, post-
12 September 11, 2001 educational program housing allowances, federal
13 educational entitlements, National Guard scholarship grants, loans under
14 section 2856 of this title, and other nontuition benefits; and

15 (7) have submitted a statement of good standing to VSAC signed by the
16 individual's commanding officer within 30 days prior to the beginning of each
17 semester.

18 (d) Service commitment.

19 (1) For each full academic year of attendance under the Program, a
20 member shall be required to serve two years in the Vermont National Guard in
21 order to receive the full tuition benefit under the Program.

1 (2) If a member's service with the Vermont National Guard terminates
2 before the member fulfills this two-year service commitment, other than for
3 good cause as determined by the Vermont National Guard, the individual shall
4 reimburse VSAC a pro rata portion of the tuition paid under the Program
5 pursuant to the terms of an interest-free reimbursement promissory note signed
6 by the individual at the time of entering the Program.

7 (3) For members participating in the Program on a less than full-time
8 basis, the member's service commitment shall be at the rate of one month of
9 Vermont National Guard service commitment for each credit hour, not to
10 exceed 12 months of service commitment for a single semester.

11 (e)(1) Termination of tuition benefit. The Office of the Vermont Adjutant
12 and Inspector General may terminate the tuition benefit provided an individual
13 under the Program if:

14 (A) the individual's commanding officer revokes the statement of
15 good standing submitted pursuant to subdivision (c)(7) of this section as a
16 result of an investigation or disciplinary action that occurred after the
17 statement of good standing was issued;

18 (B) the individual is dismissed from the educational institution in
19 which the individual is enrolled under the Program for academic or
20 disciplinary reasons; or

21 (C) the individual withdraws without good cause from the

1 educational institution in which the individual is enrolled under the Program.

2 (2) If an individual's tuition benefit is terminated pursuant to
3 subdivision (1) of this subsection, the individual shall reimburse VSAC for the
4 tuition paid under the Program, pursuant to the terms of an interest-free
5 reimbursement promissory note signed by the individual at the time of entering
6 the Program; shall be responsible on a pro rata basis for the remaining tuition
7 cost for the current semester or any courses in which the individual is currently
8 enrolled; and shall be ineligible to receive future tuition benefits under the
9 Program.

10 (3) If an individual is dismissed for academic or disciplinary reasons
11 from any postsecondary educational institution before receiving tuition
12 benefits under the Program, the Office of the Adjutant and Inspector General
13 may make a determination regarding the individual's eligibility to receive
14 tuition benefits under the Program.

15 (f)(1) Adoption of policies, procedures, and guidelines. VSAC, in
16 consultation with the Office of the Adjutant and Inspector General, shall adopt
17 policies, procedures, and guidelines necessary to implement the provisions of
18 this section, which shall include eligibility, application, and acceptance
19 requirements, pro-ration of service requirements for academic semesters or
20 attendance periods shorter than one year, data sharing guidelines, and the
21 criteria for determining "good cause" as used in subdivisions (d)(2) and

1 (e)(1)(C) of this section.

2 (2) Each educational institution participating in the Program shall adopt
3 policies and procedures for the enrollment of members under the Program.

4 These policies and procedures shall be consistent with the policies, procedures,
5 and guidelines adopted by VSAC under subdivision (1) of this subsection.

6 (g) Reports.

7 (1) On or before November 1 of each year, the President, Chancellor, or
8 equivalent position of each educational institution that participated in the
9 Program during the immediately preceding school year shall report to the
10 Vermont National Guard and VSAC regarding the number of members
11 enrolled at its institution during that school year who received tuition benefits
12 under the Program and, to the extent available, the courses or program in
13 which the members were enrolled.

14 (2) On or before January 15 of each year, the Vermont National Guard
15 and VSAC shall report these data and other relevant performance factors,
16 including information pertaining to the achievement of the goals of this
17 entitlement program and the costs of the program to date, to the Governor, the
18 House and Senate Committees on Education, and the House Committees on
19 Appropriations and on General, Housing, and Military Affairs. The provisions
20 of 2 V.S.A. § 20(d), expiration of reports, shall not apply to the reports to be
21 made under this subsection.

1 Sec. E.215.2 REPEAL

2 (a) 16 V.S.A. § 2856 (educational assistance; interest free loans) is repealed
3 on July 1, 2022.

4 Sec. E.215.3 TRANSITION

5 (a) The benefits under 16 V.S.A. § 2856, the Vermont National Guard
6 Educational Assistance Program, shall only be available through December 31,
7 2018, except as provided in this subsection.

8 (1) A member who is, as of December 31, 2018, pursuing a graduate
9 degree under that Program may continue to receive a loan under the Program
10 through June 30, 2020, provided that the member continues to satisfy the
11 eligibility requirements of 16 V.S.A. § 2857(c).

12 (b) A member of the Vermont National Guard who received a loan on or
13 before January 1, 2019 under 16 V.S.A. § 2856 shall be entitled to the benefits
14 under the Vermont National Guard Tuition Benefit Program if the member
15 satisfies the eligibility criteria under that Program.

16 (c) The Vermont Student Assistance Corporation (VSAC), in consultation
17 with the Office of the Adjutant and Inspector General, shall adopt guidelines
18 for participants transitioning from the Vermont National Guard Educational
19 Assistance Program under 16 V.S.A. § 2856 to the benefits under the Vermont
20 National Guard Tuition Benefit Program.

21 (d) If, on or before July 1, 2022, a loan provided to a Vermont National

1 Guard member under 16 V.S.A. § 2856 has gone into repayment pursuant to
2 the terms of the loan, the member shall repay the loan in accordance with its
3 terms unless and to the extent canceled or forgiven by the Corporation.

4 Sec. E.215.4 EXCESS COST; SERVICE REQUIREMENT

5 (a) If the cost to the State under the Vermont National Guard Tuition
6 Benefit Program exceeds \$2,000,000 annually, then the General Assembly
7 intends to amend 16 V.S.A. § 2857 to require, for each full academic year of
8 attendance at the University of Vermont and State Agricultural College, three
9 years of service in the Vermont National Guard in order to receive the full
10 tuition benefit under the Program.

11 Sec. E.219 Military – veterans’ affairs

12 (a) Of this appropriation, \$1,000 shall be used for continuation of the
13 Vermont Medal Program; \$4,800 shall be used for the expenses of the
14 Governor’s Veterans’ Advisory Council; \$7,500 shall be used for the Veterans’
15 Day parade; \$5,000 shall be used for the Military, Family, and Community
16 Network; and \$10,000 shall be granted to the American Legion for the Boys’
17 State and Girls’ State programs.

18 (b) Of this General Fund appropriation, \$39,484 shall be deposited into the
19 Armed Services Scholarship Fund established in 16 V.S.A. § 2541.

20 Sec. E.220 Center for crime victim services

21 (a) Notwithstanding 20 V.S.A. § 2365(c), the Vermont Center for Crime

1 Victim Services shall transfer \$43,923 from the Domestic and Sexual Violence
2 Special Fund established in 13 V.S.A. § 5360 to the Criminal Justice Training
3 Council for the purpose of funding one-half the costs of the Domestic Violence
4 Trainer position. The other half of the position will be funded with an
5 appropriation to the Criminal Justice Training Council.

6 Sec. E.224 Agriculture, food and markets – agricultural development

7 (a) Of the funds appropriated in Sec. B.224 of this act, the amount of
8 \$594,000 in general funds is appropriated for expenditure by the Vermont
9 Working Lands Enterprise Board established in 6 V.S.A. § 4606 for
10 investments in food and forest system businesses and service providers
11 pursuant to 6 V.S.A. § 4607 and consistent with the funding priorities in 2012
12 Acts and Resolves No. 142, Sec. 5, as amended by 2014 Acts and Resolves
13 No. 179, Sec. E.224.1.

14 Sec. E.233 ENERGY PLANNING SUPPORT; ALLOCATION OF COSTS

15 (a) During fiscal year 2019, the Commissioner of Public Service, in
16 consultation with the Commissioner of Housing and Community
17 Development, shall award the amount of \$300,000 to regional planning
18 commissions established under 24 V.S.A. chapter 117 and to municipalities for
19 the purpose of providing training under 2016 Acts and Resolves No. 174.

20 (b) In awarding funds under this section, the Commissioners shall consider
21 the need and size of a municipality or region and the availability, if any, of

1 other assistance, expertise, or funds to a municipality or region to implement
2 2016 Acts and Resolves No. 174.

3 (c) The Commissioner of Public Service shall allocate costs under
4 subsection (a) of this section to the electric distribution utilities subject to its
5 supervision under Title 30 of the Vermont Statutes Annotated based on their
6 pro rata share of total Vermont retail kilowatt-hour sales for the previous fiscal
7 year. Each of these utilities shall pay its allocation into the State Treasury at
8 such time and in such manner as the Commissioner may direct.

9 Sec. E.233.1 SUSTAINABLE FUNDING FOR THE PUBLIC UTILITY
10 COMMISSION AND THE DEPARTMENT OF PUBLIC
11 SERVICE; STUDY

12 (a) The Commissioner of Public Service, in consultation with the Public
13 Utility Commission, shall study and make findings and recommendations
14 regarding the gross operating revenue tax on public utilities imposed under
15 30 V.S.A. § 22, as well as the assessments imposed under 30 V.S.A. §§ 20
16 and 21. The purpose of the study is to determine whether the existing
17 statutory mechanisms for financing utility regulation in Vermont are
18 appropriate and, if not, how they might be improved to achieve a sustainable
19 general gross receipts tax fund position and to better serve the public interest.

20 (1) With respect to the gross operating revenue tax, the Commissioner
21 shall consider:

1 (A) the total amount collected by each category of companies
2 described under 30 V.S.A. § 22;

3 (B) how that amount correlates with the regulatory activities of the
4 Commission and the Department with respect to those companies;

5 (C) whether there is cross-subsidization of regulatory activities and,
6 if so, to what extent;

7 (D) the gross operating revenue trends of companies subject to the
8 tax and the factors influencing those trends;

9 (E) the projected fund balance in the General Gross Receipts Tax
10 Fund;

11 (F) the allocation of funds between the Public Utility Commission
12 and the Department of Public Service and whether the 40/60 percentage
13 allocation is appropriate;

14 (G) whether adjustments should be made to the tax rates; and

15 (H) any other matters deemed relevant by the Commissioner.

16 (2) With respect to the assessments imposed under 30 V.S.A. §§ 20
17 and 21 (the bill-back provisions):

18 (A) whether there are persons involved in particular proceedings who
19 are not subject to the assessment for State expenses incurred as a result of
20 those proceedings;

21 (B) the amount of expenses incurred for which there is no applicable

1 bill-back provision, resulting in expenses for additional personnel being
2 reimbursed from the General Gross Receipts Tax Fund; and

3 (C) any other matters deemed relevant by the Commissioner.

4 (b) The Commissioner shall hold two regional public hearings seeking
5 input with regard to the study and report required by this section, and shall
6 present an interim status report on his or her findings and recommendations at
7 the September 2018 meeting of the Joint Fiscal Committee.

8 (c) On or before November 15, 2018, after consultation with the Joint
9 Fiscal Office, the Commissioner shall report his or her findings and
10 recommendations to the Senate Committees on Finance and on Appropriations
11 and the House Committees on Ways and Means and on Energy and
12 Technology.

13 Sec. E.233.2 SHORT-TERM EMERGENCY FUNDING TO MAINTAIN
14 CRITICAL WIRELESS E-911 SERVICE; STUDY

15 (a) It is the purpose of this section to provide the Commissioner of Public
16 Service with discretionary authority to allocate short-term emergency funding
17 to any provider who has a lease agreement with the State to operate a mobile
18 wireless network comprising microcell equipment owned by the State. The
19 funding authorized pursuant to this section is intended to support the health
20 and safety needs of the general public by maintaining critical microcell
21 wireless E-911 service in rural areas of the State that would otherwise be

1 without such service, consistent with the objectives of prior State investments
2 in microcell network infrastructure.

3 (b) Beginning in fiscal year 2018 and continuing until December 31, 2018,
4 the Commissioner of Public Service is authorized to spend up to \$50,000 from
5 the Connectivity Fund established under 30 V.S.A. § 7516 to support E-911
6 geolocation service charges incurred by any provider that has a lease
7 agreement with the State to operate a mobile wireless network comprising
8 microcell equipment owned by the State. Funds awarded pursuant to this
9 subsection shall be on a reimbursement basis only, and shall be awarded only
10 to providers who comply with or submit to the Commissioner of Public
11 Service's written agreement to comply with subsection (d) of this section.

12 (c) Beginning on January 1, 2019 and continuing until June 30, 2019, the
13 Commissioner of Public Service is authorized to spend up to an additional
14 \$50,000 from the Connectivity Fund as specified in subsection (b) of this
15 section, provided the Commissioner obtains the prior approval of the Joint
16 Fiscal Committee.

17 (d) As a condition to the receipt of funds pursuant to this section and for
18 the purpose of ensuring that State-owned assets are sufficiently protected and
19 used in a manner that serves the public interest, on or before September 1,
20 2018, in a form and manner specified by the Commissioner of Public Service,
21 any provider that has a lease agreement with the State to operate a mobile

1 wireless network comprising State-owned microcell equipment shall submit to
2 the Department of Public Service a business plan. All financial information,
3 trade secrets, or other information customarily regarded as confidential
4 business information submitted to the Commissioner pursuant to this
5 subsection shall be exempt from inspection and copying under the Public
6 Records Act and shall not be released.

7 (e) On or before December 1, 2018, the Commissioner of Public Service
8 shall submit a report to the Senate Committees on Finance and on Institutions
9 and the House Committees on Energy and Technology and on Corrections and
10 Institutions regarding E-911 compliant microcell service in Vermont. The
11 report shall include findings and recommendations related to:

12 (1) the financial viability of operating and maintaining a microcell
13 network in Vermont using existing 2G technology as well as 4G technology;

14 (2) whether changes to State regulatory policy are needed to facilitate
15 the availability of wireless E-911 service in Vermont;

16 (3) whether the State should subsidize E-911 geolocation service
17 charges incurred by microcell service providers on a permanent basis;

18 (4) the costs of completing a statewide propagation coverage analysis
19 and whether such an analysis is needed to inform State policy, planning, and
20 investment with respect to wireless service in Vermont;

21 (5) the estimated costs of providing microcell service in Vermont,

1 including rates and charges related to electric, backhaul, and geolocation
2 services, pole rental fees, backup-power requirements, colocation
3 requirements, and any other costs deemed relevant by the Commissioner; and
4 (6) any other matters deemed relevant by the Commissioner.

5 Sec. E.234 E-911 SYSTEM; PUBLIC UTILITY COMMISSION; REPORT

6 (a) On or before September 1, 2018, the Public Utility Commission shall
7 submit a memorandum to the Joint Fiscal Committee detailing its regulatory
8 authority with respect to Vermont's Enhanced 911 network, with specific
9 reference to the regulatory authority of both the E-911 Board and the Federal
10 Communications Commission. The memorandum shall include the
11 Commission's recommendations, if any, for ensuring comprehensive
12 regulatory oversight and enforcement of matters pertaining to the E-911
13 network.

14 Sec. E.235 E-911 SYSTEM; RESILIENCY AND REDUNDANCY;
15 REPORT

16 (a) On or before September 1, 2018, the Executive Director of the
17 Enhanced 911 Board shall submit a report to the Joint Fiscal Committee
18 detailing the level of resiliency and redundancy within the E-911 system and
19 explaining any plans for ensuring operational integrity in the event of critical
20 software or hardware failures. The report shall include, with explanation,
21 identification of the locations and services deemed most vulnerable to system

1 outages or call failures, as determined by the Board. The report also shall
2 include a cost estimate for making any recommended system upgrades.

3 Sec. E.238 UNLAWFUL ALCOHOLIC BEVERAGE TRADE PRACTICES;

4 REPORT

5 (a) On or before January 15, 2019, the Commissioner of Liquor Control
6 shall submit a written report to the House Committee on General, Housing,
7 and Military Affairs and the Senate Committee on Economic Development,
8 Housing and General Affairs regarding the occurrence in Vermont of unfair
9 trade practices at wholesale, including unlawful financial interests in retail
10 licensees, price discrimination between retail licensees, and inducement of
11 retail licensees to purchase or sell certain brands of alcoholic beverages to the
12 exclusion of others. In particular, the report shall include:

13 (1) a description of the State and federal laws and regulations
14 restricting:

15 (A) certain types of financial interests between wholesale and retail
16 licensees;

17 (B) price discrimination between retail licensees by wholesale
18 dealers and packagers; and

19 (C) the giving of free alcoholic beverages, monetary payments, or
20 any other thing of value in order to induce or persuade a retail licensee to
21 purchase or contract to purchase a certain brand or kind of alcoholic beverage

1 to the exclusion of others, or to refrain from purchasing or contracting to
2 purchase a certain brand or kind of alcoholic beverage;

3 (2) a description of the Department of Liquor Control's efforts to
4 enforce the laws and regulations related to unlawful financial interests in retail
5 licensees, price discrimination between retail licensees, and inducement of
6 retail licensees to purchase or sell certain brands of alcoholic beverages to the
7 exclusion of others, including:

8 (A) the number of complaints received by the Department;

9 (B) the number of investigations performed by the Department;

10 (C) the number of alleged violations prosecuted by the
11 Department; and

12 (D) the result of any prosecutions carried out by the Department; and

13 (3) any suggestions for legislative action to strengthen or improve the
14 enforcement of Vermont's laws restricting unlawful financial interests in retail
15 licensees, price discrimination between retail licensees, and inducement of
16 retail licensees to purchase or sell certain brands of alcoholic beverages to the
17 exclusion of others.

18 Sec. E.238.1 DEPARTMENT OF LIQUOR CONTROL; UNFAIR TRADE

19 PRACTICES; ANONYMOUS REPORTING

20 (a) On or before November 15, 2018, the Commissioner of Liquor Control
21 shall develop and follow a protocol to allow licensees and members of the

1 public to submit to the Department confidential and anonymous reports of
2 unfair trade practices, including unlawful financial interests in retail or
3 wholesale licensees, price discrimination between retail licensees, and the
4 inducement of retail licensees to purchase or sell certain brands of alcoholic
5 beverages to the exclusion of others.

6 (b) On or before January 15, 2019, the Commissioner shall report to the
7 House Committees on Appropriations and on General, Housing, and Military
8 Affairs and the Senate Committees on Appropriations and on Economic
9 Development, Housing and General Affairs regarding how the Department
10 receives reports of unfair trade practices and ensures confidentiality. The
11 report shall also be included in the Department's presentation of its budget to
12 the House and Senate Committees on Appropriations.

13 * * * HUMAN SERVICES * * *

14 Sec. E.300.1 DEPOSIT AND USE OF MASTER SETTLEMENT FUND

15 (a) Deposit of Master Tobacco Settlement receipts and appropriations of
16 Tobacco Settlement funds in fiscal year 2019 are made, notwithstanding
17 2013 Acts and Resolves No. 50, Sec. D.104.

18 Sec. E.300.2 FUNDING FOR THE OFFICE OF THE HEALTH CARE

19 ADVOCATE

20 (a) Of the funds appropriated in Sec. B.300 of this act, \$1,457,406 shall be
21 used for the contract with the Office of the Health Care Advocate.

1 Sec. E.301 Secretary's office – Global Commitment

2 (a) The Agency of Human Services shall use the funds appropriated in Sec.
3 B.103 of this act for payment of the actuarially certified premium required
4 under the intergovernmental agreement between the Agency of Human
5 Services and the managed care entity, the Department of Vermont Health
6 Access, as provided for in the Global Commitment for Health Waiver (Global
7 Commitment) approved by the Centers for Medicare and Medicaid Services
8 under Section 1115 of the Social Security Act.

9 (b) In addition to the State funds appropriated in this section, a total
10 estimated sum of \$26,413,016 is anticipated to be certified as State matching
11 funds under the Global Commitment as follows:

12 (1) \$23,336,050 certified State match available from local education
13 agencies for eligible special education school-based Medicaid services under
14 the Global Commitment. This amount combined with \$27,163,950 of federal
15 funds appropriated in Sec. B.301 of this act equals a total estimated
16 expenditure of \$50,500,000. An amount equal to the amount of the federal
17 matching funds for eligible special education school-based Medicaid services
18 under Global Commitment shall be transferred from the Global Commitment
19 Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A.
20 § 2959a.

21 (2) \$3,076,966 certified State match available from local designated

1 mental health and developmental services agencies for eligible mental health
2 services provided under Global Commitment.

3 Sec. E.301.1 Secretary's office – Global Commitment

4 (a) An amount up to \$16,800,000 is transferred from the AHS Federal
5 Receipts Holding Account to the Interdepartmental Transfer Fund consistent
6 with the amount appropriated in Section B.301 – Secretary's office – global
7 commitment of this act.

8 Sec. E.301.2 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER;

9 REPORT

10 (a) In order to facilitate the end-of-year closeout for fiscal year 2019, the
11 Secretary of Human Services, with approval from the Secretary of
12 Administration, may make transfers among the appropriations authorized for
13 Medicaid and Medicaid-waiver program expenses, including Global
14 Commitment appropriations outside the Agency of Human Services. At least
15 three business days prior to any transfer, the Agency shall submit to the Joint
16 Fiscal Office a proposal of transfers to be made pursuant to this section. A
17 final report on all transfers made under this section shall be made to the Joint
18 Fiscal Committee for review at the September 2019 meeting. The purpose of
19 this section is to provide the Agency with limited authority to modify the
20 appropriations to comply with the terms and conditions of the Global
21 Commitment for Health waiver approved by the Centers for Medicare and

1 Medicaid Services under Section 1115 of the Social Security Act.

2 Sec. E.306 ALTERNATIVE FORMS OF COST-SHARING ASSISTANCE;

3 REPORT

4 (a)(1) The Secretary of Human Services, in consultation with the Green
5 Mountain Care Board, the Office of the Health Care Advocate, and other
6 interested stakeholders, shall research, analyze, and recommend alternatives to
7 the cost-sharing assistance established in 33 V.S.A. § 1812 for eligible
8 individuals enrolled in Exchange plans.

9 (2) The alternatives to be considered may include:

10 (A) creation of a fund to reimburse eligible individuals who
11 experience high out-of-pocket health care costs;

12 (B) creation of an uncompensated care pool; and

13 (C) other strategies for reducing the out-of-pocket exposure of
14 individuals and families with income between 200 and 300 percent of the
15 federal poverty level who purchase silver-level qualified health benefit plans
16 through the Vermont Health Benefit Exchange.

17 (b) On or before January 15, 2019, the Secretary of Human Services shall
18 report its findings and recommendations for alternative forms of cost-sharing
19 assistance to the House Committees on Health Care and on Appropriations and
20 the Senate Committees on Health and Welfare, on Finance, and on
21 Appropriations. The report shall also include the Secretary's recommendations

1 for ways to assist individuals purchasing qualified health benefit plans during
2 open enrollment periods in making informed choices.

3 Sec. E.306.1 FISCAL YEAR 2019 BUDGET ADJUSTMENT;

4 REALLOCATION; RESEARCH STUDY ON EFFECTS OF
5 INCREASED ACCESS TO ACUPUNCTURE CARE

6 (a) As part of its fiscal year 2019 budget adjustment proposal, the Agency
7 of Human Services shall recommend the specific reallocation of funds
8 remaining in the Evidence-Based Education and Advertising Fund in fiscal
9 year 2019 in order to provide \$100,000 to the Department of Vermont Health
10 Access to conduct the first year of a two-year research study into the effects of
11 increased access to acupuncture care on utilization of and expenditures on
12 other medical services for individuals enrolled in Medicaid and commercial
13 health insurance in Vermont. The Agency shall manage the Fund during fiscal
14 year 2019 in a manner consistent with this purpose.

15 (b) As part of its fiscal year 2019 budget adjustment proposal, the Agency
16 of Human Services shall also report on the financial status of the Fund,
17 including anticipated fiscal year 2020 revenue and the allocation of an
18 additional \$100,000 for the second year of the study described in subsection
19 (a) of this section.

20 Sec. E.306.2 VERMONT HEALTH BENEFIT EXCHANGE RULES

21 (a) The Agency of Human Services may adopt rules pursuant to 3 V.S.A.

1 chapter 25 to conform Vermont's rules regarding health care eligibility and
2 enrollment and the operation of the Vermont Health Benefit Exchange to state
3 and federal law and guidance. The Agency may use the emergency rules
4 process pursuant to 3 V.S.A. § 844 prior to June 30, 2019, but only in the
5 event that new state or federal law or guidance require Vermont to amend or
6 adopt its rules in a time frame that cannot be accomplished under the
7 traditional rulemaking process. An emergency rule adopted under these
8 exigent circumstances shall be deemed to meet the standard for the adoption of
9 emergency rules required pursuant to 3 V.S.A. § 844(a).

10 Sec. E.307 PRIMARY CARE FUNDING

11 (a) Of the funds appropriated in Sec. B.307 of this act, \$2,166,000 shall be
12 used to increase the amount of the per-member per-month payment through
13 the Blueprint for Health to each patient-centered medical home in fiscal year
14 2019.

15 Sec. E.308 33 V.S.A. chapter 76 is added to read:

16 CHAPTER 76. CHOICES FOR CARE

17 § 7601. DEFINITIONS

18 As used in this chapter:

19 (1) "Commissioner" means the Commissioner of Disabilities, Aging,
20 and Independent Living.

21 (2) "Department" means the Department of Disabilities, Aging, and

1 Independent Living.

2 (3) "Savings" means the difference remaining at the conclusion of each
3 fiscal year between the amount of funds appropriated for Choices for Care and
4 the sum of expended and obligated funds, less an amount equal to one percent
5 of that fiscal year's total Choices for Care expenditure. The one percent shall
6 function as a reserve to avoid implementing a High Needs wait list due to
7 unplanned Choices for Care budget pressures throughout the fiscal year.

8 § 7602. CALCULATING AND ALLOCATING SAVINGS

9 (a)(1) The Department shall calculate savings and investments in Choices
10 for Care and report the amount of savings to the Joint Fiscal Committee and
11 the House Committees on Appropriations and on Human Services and to the
12 Senate Committees on Appropriations and on Health and Welfare by
13 September 15 of each year. The Department shall not reduce the base funding
14 needed in a subsequent fiscal year prior to calculating savings for the current
15 fiscal year.

16 (2) After reporting the savings in accordance with subdivision (1) of this
17 subsection, the Commissioner shall determine how to allocate available
18 Choices for Care program savings in accordance with this section.

19 (b) Savings shall be one-time investments or shall be used in ways that are
20 sustainable into the future. Use of savings shall be based on the assessed needs
21 of Vermonters as identified by the Department and its stakeholders. Priority

1 for the use of any identified savings after the needs of all individuals meeting
2 the terms and conditions of the waiver have been met shall be given to home-
3 and community-based services. As used in this chapter, “home- and
4 community-based services” includes all home-based services and Enhanced
5 Residential Care.

6 (c) Savings may be used to:

7 (1) increase Choices for Care home- and community-based provider
8 rates;

9 (2) increase Choices for Care self-directed service budgets;

10 (3) expand Choices for Care capacity to accommodate additional
11 enrollees;

12 (4) expand Choices for Care home- and community-based service
13 options;

14 (5) address Choices for Care quality improvement outcomes; and

15 (6) fund investments to serve older Vermonters and Vermonters with
16 disabilities outside Choices for Care, understanding non-Medicaid services are
17 not eligible for a federal match.

18 (d) Savings shall not be used to:

19 (1) increase nursing home rates already addressed pursuant to section
20 905 of this title; or

21 (2) pay for budget pressures related to the Collective Bargaining

1 Agreement for independent direct support workers.

2 Sec. E.308.1 [DELETED]

3 Sec. E.312 Health – public health

4 (a) AIDS/HIV funding:

5 (1) In fiscal year 2019 and as provided in this section, the Department
6 of Health shall provide grants in the amount of \$475,000 in AIDS Medication
7 Rebates special funds to the Vermont AIDS service and peer-support
8 organizations for client-based support services. The Department of Health
9 AIDS Program shall meet at least quarterly with the Community Advisory
10 Group (CAG) with current information and data relating to service initiatives.
11 The funds shall be allocated according to an RFP process.

12 (2) Ryan White Title II funds for AIDS services and the Vermont
13 Medication Assistance Program (VMAP) shall be distributed in accordance
14 with federal guidelines. The federal guidelines shall not apply to programs or
15 services funded solely by State general funds.

16 (3)(A) The Secretary of Human Services shall immediately notify the
17 Joint Fiscal Committee if at any time there are insufficient funds in VMAP to
18 assist all eligible individuals. The Secretary shall work in collaboration with
19 persons living with HIV/AIDS to develop a plan to continue access to VMAP
20 medications until such time as the General Assembly can take action.

21 (B) As provided in this section, the Secretary of Human Services

1 shall work in collaboration with the VMAP Advisory Committee, which shall
2 be composed of not less than 50 percent of members who are living with
3 HIV/AIDS. If a modification to the program's eligibility requirements or
4 benefit coverage is considered, the Committee shall make recommendations
5 regarding the program's formulary of approved medication, related laboratory
6 testing, nutritional supplements, and eligibility for the program.

7 (4) In fiscal year 2019, the Department of Health shall provide grants in
8 the amount of \$100,000 in general funds to Vermont AIDS service
9 organizations and other Vermont HIV/AIDS prevention providers for
10 community-based HIV prevention programs and services. These funds shall
11 be used for HIV/AIDS prevention purposes, including syringe exchange
12 programs; improving the availability of confidential and anonymous HIV
13 testing; prevention work with at-risk groups such as women, intravenous drug
14 users, and people of color; and anti-stigma campaigns. Not more than 15
15 percent of the funds may be used for the administration of such services by the
16 recipients of these funds. The method by which these prevention funds are
17 distributed shall be determined by mutual agreement of the Department of
18 Health and the Vermont AIDS service organizations and other Vermont
19 HIV/AIDS prevention providers.

20 (5) In fiscal year 2019, the Department of Health shall provide grants in
21 the amount of \$150,000 in general funds to Vermont AIDS service

1 organizations and other Vermont HIV/AIDS prevention providers for syringe
2 exchange programs. The method by which these prevention funds are
3 distributed shall be determined by mutual agreement of the Department of
4 Health, the Vermont AIDS service organizations, and other Vermont
5 HIV/AIDS prevention providers. The performance period for these grants will
6 be State fiscal year 2019. Grant reporting shall include outcomes and results.

7 Sec. E.312.1 IMPROVING OUTCOMES FOR PREGNANT WOMEN

8 (a) To improve outcomes for pregnant women the Commissioner of Health
9 shall:

10 (1) Prioritize funding for tobacco cessation to address the rates of
11 smoking among pregnant women by utilizing evidence-based best practices.
12 Not less than \$50,000 of the funding for tobacco cessation and prevention
13 activities in fiscal year 2019 shall be used to implement or expand evidence-
14 based interventions intended to reduce tobacco use among pregnant women.

15 (2) Continue to implement an outreach plan developed in 2017 to
16 Vermonters who are eligible but not enrolled in the Women, Infants and
17 Children (WIC) program.

18 Sec. E.312.2 WOMEN, INFANTS AND CHILDREN (WIC)

19 STAKEHOLDER SUMMIT AND REPORT

20 (a) The Department of Health shall convene a community stakeholder
21 summit to discuss innovative methods of increasing WIC program enrollment

1 in Vermont by November 1, 2018. The Department shall solicit input on
2 methods of increasing WIC enrollment from current and former WIC
3 participants, as well as WIC-eligible nonparticipants, and the Department for
4 Children and Families through interviews and surveys. The Department shall
5 present recommended actions to the Senate Committee on Health and Welfare
6 and the House Committee on Human Services on or before April 1, 2019.

7 Sec. E.314 DESIGNATED AGENCY STAFF RETENTION

8 (a) To address the compensation gap between the designated agency system
9 and other providers in the health care delivery system the funds appropriated
10 in this section are to enable the Department of Mental Health to increase
11 payments to the Designated Agencies in fiscal year 2019 in a manner to work
12 toward this goal.

13 (b) Of the funds appropriated in Sec. B.314 of this act, \$4,328,689 shall be
14 used to provide increased payments to the Mental Health Designated Agencies
15 in fiscal year 2019. The Department may allocate up to 20 percent of these
16 funds to be used to address the compensation gap through value-based
17 incentive payments focusing on quality and outcomes. The remaining funds
18 shall be allocated to the base rates for providers. Of these funds, up to
19 50 percent may be targeted for direct services that are provided by master's
20 level clinicians and other staff with high levels of credentials and experience to
21 reduce the compensation gap for this staff. These targeted funds shall be used

1 to increase recruitment and retention of these levels of professional staff. The
2 Designated Agencies shall assist the Department by providing baseline data.

3 (c) The Department shall report to the Joint Fiscal Committee in
4 September 2018 on the implementation of this section.

5 (d) Representatives of the Designated Agencies shall report to the Joint
6 Fiscal Committee in September 2018 on the impacts of these resources on
7 recruitment and retention of master's level clinicians and other staff with high
8 levels of credentials and experience.

9 Sec. E.316 ECONOMIC SERVICES DIVISION; INNOVATION IN
10 DELIVERY OF SERVICES

11 (a) For the purpose of exploring innovative approaches to the
12 administration of programs within the Department for Children and Families'
13 Economic Services Division, the Commissioner may authorize pilot programs
14 within specific regions of the State that waive Division rules adopted pursuant
15 to 3 V.S.A. chapter 25 in a manner that does not impact program eligibility or
16 benefits. Temporarily waiving some existing rules for a prescribed period of
17 time shall enable the Division to test innovative ideas for improving the
18 delivery of services with the specific goal of achieving more responsive client
19 services and operational efficiencies.

20 (b) During fiscal year 2019, the Division may propose pilot programs in
21 accordance with the goals described in subsection (a) of this section to the

1 Commissioner for approval. Each proposal shall outline the targeted service
2 area, efficiencies sought, rules to be waived, duration of the program, and
3 evaluation criteria. Notice shall be given to clients affected by a pilot program
4 and to the Chairs of the House Committee on Human Services and the Senate
5 Committee on Health and Welfare prior to the commencement of the pilot
6 program, including a description of how benefit delivery will be affected,
7 length of the program, and right to a fair hearing.

8 (c) On or before January 15, 2019, the Commissioner shall submit a report
9 to the House Committee on Human Services and to the Senate Committee on
10 Health and Welfare summarizing the pilot programs implemented pursuant to
11 this section and any findings and recommendations. In the event a particular
12 pilot program is successful at improving the delivery of services to clients, the
13 Commissioner may seek to amend the Division's rules in conformity with the
14 approach used by the pilot program pursuant to 3 V.S.A. chapter 25.

15 Sec. E.316.1 3 V.S.A. § 1101 is amended to read:

16 § 1101. OBLIGATION OF STATE TO DEFEND EMPLOYEES;

17 DEFINITION

18 * * *

19 (b) As used in this chapter, "State employee" includes any elective or
20 appointive officer or employee within the Legislative, Executive, or Judicial
21 Branch of State Government or any former such employee or officer. The

1 term includes:

2 * * *

3 (10) administrative reviewers whose services are contracted by the State
4 pursuant to 33 V.S.A. § 4916a(f).

5 Sec. E.317 PARENT CHILD CENTER NETWORK; EVALUATION OF
6 MASTER GRANT

7 (a) The Agency of Human Services, in consultation with the parent child
8 center network, shall calculate the true value of the services delivered through
9 the network's master grant. The Agency shall present these findings as part of
10 its fiscal year 2020 budget presentation.

11 Sec. E.318 EARLY CARE AND CHILD DEVELOPMENT PROGRAM
12 GRANT

13 (a) In fiscal year 2019 and thereafter, the Department for Children and
14 Families shall award 70 percent of funds designated for the Early Care and
15 Child Development Program Grants to center-based child care and preschool
16 programs participating in the Step Ahead Recognition System (STARS) and 30
17 percent of the designated funds to family child care homes participating in
18 STARS in accordance with the formula described in subsection (b) of this
19 section.

20 (b) The Department's Child Development Division shall calculate
21 eligibility for Early Care and Child Development Program Grants on a

1 quarterly basis. In determining eligibility, the Division shall consider:

2 (1) the percent of enrollees receiving a Child Care Financial Assistance
3 Program (CCFAP) subsidy as compared to a center-based child care and
4 preschool program or a family child care home's licensed capacity at a weight
5 of 70 percent;

6 (2) the average number of enrollees at a center-based child care and
7 preschool program or family child care home receiving a CCFAP subsidy at a
8 weight of 15 percent; and

9 (3) the average number of infants and toddlers enrolled in a center-
10 based child care and preschool program or family child care home at a weight
11 of 15 percent.

12 (c) The Division shall provide Early Care and Child Development Program
13 Grants to eligible child care and preschool programs or family child care
14 homes as funds allow. Center-based child care and preschool programs or
15 family child care homes receiving Early Care and Child Development Program
16 Grants shall remain in compliance with the Department's rules, continue to
17 participate in STARS, and maintain high enrollment of children receiving a
18 CCFAP subsidy.

19 Sec. E.318.1 CHILD CARE FINANCIAL ASSISTANCE PROGRAM

20 ADJUSTMENTS

21 (a) Of the funds appropriated in Sec. B.318 of this act, \$738,511 is

1 allocated consistent with provisions related to the Child Care Financial
2 Assistance Program in any legislation enacted in 2018 pertaining to Vermont's
3 minimum wage, to allow the Commissioner for Children and Families to:

4 (1) adjust the sliding scale of the Child Care Financial Assistance
5 Program benefit to correspond with the increase in minimum wage to \$10.50
6 as of July 1, 2018 and to \$11.10 as of January 1, 2019, to ensure that the
7 benefit percentage at each new minimum wage level remains the same as the
8 percentage applied under the former minimum wage; and

9 (2) adjust the market rate used to inform the fee scale in a manner that
10 offsets the estimated increased cost of child care in Vermont resulting from the
11 increase in minimum wage to \$10.50 as of July 1, 2018 and to \$11.10 as of
12 January 1, 2019.

13 (b) In November 2018 and each year thereafter until 2021, the Department
14 shall report to the Joint Fiscal Committee regarding the projected cost to:

15 (1) adjust the sliding scale of the Child Care Financial Assistance
16 Program benefit to correspond with a statutorily required increase in the
17 minimum wage for January 1, 2020 and for each year thereafter until 2023 that
18 ensures that the benefit percentage at a new minimum wage level remains the
19 same as the percentage applied under the former minimum wage; and

20 (2) adjust the market rate used to inform the fee scale in a manner that
21 offsets the estimated increased cost of child care in Vermont resulting from a

1 statutorily required increase in the minimum wage for January 1, 2020 and for
2 each year thereafter until 2023.

3 Sec E.318.2 CHILD CARE FUNDING ALLOCATIONS

4 (a) Of the funds appropriated in Sec. B.318 of this act:

5 (1) \$247,388 may be used to fill licensing staff positions; and

6 (2) a minimum of \$2,451,000 shall be used to increase the infant and
7 toddler rate used in the Child Care Financial Assistance Program. In the event
8 there is no statutorily required increase in the minimum wage on January 1,
9 2019, the funds allocated in Sec. E.318.1(a) of this act shall also be used to
10 increase the infant and toddler rate.

11 Sec. E.318.3 CHILD CARE AND PREKINDERGARTEN CAPACITY

12 BASELINE REPORT

13 (a) In order to better understand the relationship between the pre-
14 kindergarten system and the impact on child care and early education facilities
15 not operated by public school districts, the Joint Fiscal Office shall research
16 and assemble the following for each of the last five years:

17 (1) The demographic information of Vermont children zero to five years
18 of age, by town, county, or region and to the extent possible by family
19 household income.

20 (2) Array by town, county, or region the known capacity or “slots” at
21 licensed child care facilities, registered child care providers, and pre-

1 kindergarten programs operated by school districts for each age group between
2 zero and five years of age.

3 (3) To the extent possible, an analysis of the age composition of
4 enrolled children at licensed providers who have ceased doing business in each
5 of the last five years.

6 (b) The Joint Fiscal Office shall have the assistance and cooperation of the
7 Department for Children and Families as well the Agency of Education and
8 shall report to the Senate and House Committees on Appropriations and on
9 Education not later than November 15, 2018.

10 Sec. E.321 GENERAL ASSISTANCE HOUSING

11 (a) Funds appropriated to the Agency of Human Services in the General
12 Assistance program in fiscal year 2019 may be used for temporary housing in
13 catastrophic situations and for vulnerable populations, as defined in rules
14 adopted by the Agency. The Commissioner for Children and Families may, by
15 policy, provide temporary housing for a limited duration in adverse weather
16 conditions when appropriate shelter space is not available.

17 Sec. E.321.1 HOUSING ASSISTANCE BENEFITS; FLEXIBILITY

18 PROGRAM; COMMUNITY-BASED ALTERNATIVES TO

19 GENERAL ASSISTANCE TEMPORARY HOUSING

20 (a) For fiscal year 2019, the Agency of Human Services may continue to
21 fund housing assistance programs within the General Assistance program to

1 create flexibility to provide General Assistance benefits, as well as grants to
2 support the establishment of community-based alternatives for temporary
3 housing as part of the effort to reduce the number of individuals temporarily
4 housed by the General Assistance program. The purpose of these housing
5 assistance programs and community-based alternatives is to mitigate poverty
6 and serve applicants more effectively than they are currently being served with
7 General Assistance funds. Eligible activities shall include, among other
8 things, the provision of shelter, overflow shelter, case management,
9 transitional housing, deposits, down payments, rental assistance, upstream
10 prevention, and related services that ensure that all Vermonters have access to
11 shelter, housing, and the services they need to become safely housed. The
12 Agency may award grants to homeless and housing service providers for
13 eligible activities. Where such housing assistance programs and grants are
14 provided and community- based programs are established, the General
15 Assistance rules shall not apply. The assistance provided under this section is
16 not an entitlement and may be discontinued when the appropriation has been
17 fully spent.

18 (b) The housing assistance and community-based programs may operate in
19 up to 12 districts designated by the Secretary of Human Services. The Agency
20 shall establish goals and procedures for evaluating the program overall,
21 including performance measures that demonstrate program results, and for

1 each district in which the Agency operates the program, it shall establish
2 procedures for evaluating the district program and its effects.

3 (c) The Agency shall continue to engage interested parties, including both
4 statewide organizations and local agencies, in the design, implementation, and
5 evaluation of housing assistance programs and community-based alternatives
6 to General Assistance temporary housing.

7 Sec. E.323 2016 Acts and Resolves No. 172, Sec. E.100.9 is amended to read:

8 Sec. E.100.9 REPORTING UNFUNDED BUDGET PRESSURES

9 (a) In an effort to better understand the current services obligations, as part
10 of the budget report required under 32 V.S.A. § 306(a)(1), the Governor shall
11 include an itemization of current services liabilities, including the total
12 obligations and the amount estimated for full funding in the current year in
13 which an amortization schedule exists. These shall include the following
14 liabilities projected for the start of the budget fiscal year:

15 * * *

16 (4) Reach Up funding full benefit obligations, including the standard of
17 need for the current fiscal year, prior to any rateable reductions made pursuant
18 to 33 V.S.A. § 1103(a) which ensure that the expenditures for the programs
19 shall not exceed appropriations;

20 * * *

21 Sec. E.324 EXPEDITED CRISIS FUEL ASSISTANCE

1 (a) The Commissioner for Children and Families or designee may
2 authorize crisis fuel assistance to those income-eligible households that have
3 applied for an expedited seasonal fuel benefit but have not yet received it if the
4 benefit cannot be executed in time to prevent them from running out of fuel.
5 The crisis fuel grants authorized pursuant to this section count toward the one
6 crisis fuel grant allowed per household for the winter heating season pursuant
7 to 33 V.S.A. § 2609(b).

8 Sec. E.324.1 33 V.S.A. § 2602b is added to read:

9 § 2602b. LIHEAP AND WEATHERIZATION

10 Notwithstanding section 2501 of this title, the Secretary of Human Services
11 may transfer up to 15 percent of each federal fiscal year's Low Income Home
12 Energy Assistance Program (LIHEAP) block grant to the Home
13 Weatherization Assistance Program to be used for weatherization projects and
14 program administration allowable under LIHEAP in the same State fiscal year.
15 At the same time, an equivalent transfer shall be made to the Low Income
16 Home Energy Assistance Program from the Home Weatherization Assistance
17 Fund to provide home heating fuel benefits and program administration in the
18 same State fiscal year.

19 Sec. E.325 Department for children and families – office of economic
20 opportunity

21 (a) Of the General Fund appropriation in Sec. B.325 of this act, \$1,092,000

1 shall be granted to community agencies for homeless assistance by preserving
2 existing services, increasing services, or increasing resources available
3 statewide. These funds may be granted alone or in conjunction with federal
4 Emergency Solutions Grants funds. Grant decisions shall be made with
5 assistance from the Vermont Coalition to End Homelessness.

6 Sec. E.325.1 33 V.S.A. § 1123 is amended to read:

7 § 1123. INDIVIDUAL DEVELOPMENT SAVINGS PROGRAM

8 (a) As used in this section:

9 * * *

10 (6) “Eligible uses” means education, training that leads to employment,
11 the purchase or improvement of a home, the purchase or repair of a vehicle
12 necessary to participate in an employment-related activity, or participation in
13 or development of an entrepreneurial activity.

14 * * *

15 Sec. E.326 Department for children and families – OEO – weatherization
16 assistance

17 (a) Of the Special Fund appropriation in Sec. B.326 of this act, \$750,000 is
18 for the replacement and repair of home heating equipment.

19 Sec. E.329 ADULT DAY CERTIFICATION

20 (a) Certification of new adult day providers seeking to be Medicaid funded
21 shall require a demonstration that the new program is filling an unmet need for

1 adult day services in a given geographic region, and does not have an adverse
2 impact on existing adult day services. In the process of approval for certifying
3 any new adult day program, the Department of Disabilities, Aging, and
4 Independent Living shall consider review and comment from the Vermont
5 Association of Adult Day Services as to whether the new program:

6 (1) meets adult day standards;

7 (2) fills an unmet service need in that geographic area; and

8 (3) does not have an adverse impact on existing adult day services.

9 Sec. E.330 PARTICIPANT DIRECTED ATTENDANT CARE (PDAC)

10 PROGRAM

11 (a) The Department of Disabilities, Aging, and Independent Living shall
12 continue to operate the participant directed attendant care program and shall
13 not reduce an enrolled individual's level of services in fiscal year 2019. The
14 Agency of Human Services shall ensure that adequate funding is available to
15 the Department for the operation of this program for fiscal year 2019 and shall
16 report to the Joint Fiscal Committee in November 2018 any necessary funding
17 transfers from within the Agency needed to meet this requirement.

18 (b) The Department shall make a determination regarding the clinical and
19 financial eligibility of each currently enrolled individual for the Medicaid
20 Choices for Care program or any other program that could provide the
21 necessary attendant care services. The Department shall report to the Joint

1 Fiscal Committee in September 2018 on the status of these determinations.

2 Sec. E.335 CORRECTIONS APPROPRIATIONS; TRANSFER; REPORT

3 (a) In fiscal year 2019, the Secretary of Administration may, upon
4 recommendation of the Secretary of Human Services, transfer unexpended
5 funds between the respective appropriations for correctional services and for
6 correctional services out-of-state beds. At least three days prior to any such
7 transfer being made, the Secretary of Administration shall report the intended
8 transfer to the Joint Fiscal Office and shall report any completed transfers to
9 the Joint Fiscal Committee at its next scheduled meeting.

10 Sec. E.338 Corrections - correctional services

11 (a) The special funds appropriation of \$146,000 for the supplemental
12 facility payments to Newport and Springfield shall be paid from the PILOT
13 Special Fund under 32 V.S.A. § 3709.

14 Sec. E.338.1 [DELETED]

15 Sec. E.343 [DELETED]

16 Sec. E.344 Retired senior volunteer program

17 (a) Funds appropriated pursuant to Sec. B.344 of this act shall be
18 administered by the Agency of Human Services and distributed
19 by SerVermont to each local program to be used to match the Corporation for
20 National and Community Service's approved expenditures.

21 Sec. E.345 Green mountain care board

1 financial data;

2 (3) enhance the abilities of the General Assembly, Agency of Education,
3 supervisory unions, and supervisory districts to better understand and manage
4 cost centers and related school expenditures; and

5 (4) categorize expenditures in a way that draws a distinction between
6 direct educational expenses and expenses that are primarily human or social
7 services expenses.

8 (c) Notwithstanding subsection (a) of this section, supervisory unions with
9 districts that are merging into a new governance structure as of July 1, 2018
10 and that have executed a contract on or before May 1, 2018 to acquire a new
11 school finance and financial data system other than the management system
12 selected by the Agency of Education to serve the merged system may delay
13 adoption of the system selected by the Agency until July 1, 2021.

14 (d) Notwithstanding subsection (a) of this section, a supervisory union or a
15 supervisory district that entered into a contract for a school finance and
16 financial data management system on or after July 1, 2017, may delay
17 adoption of the system selected by the Agency until July 1, 2021 or upon
18 expiration of the current contract, whichever is earlier.

19 Sec. E.500.2 16 V.S.A. § 242(4) is amended to read:

20 (4)(A) Provide data and information required by the Secretary- and by
21 using a format approved by the Secretary to:

1 (i) Report budgetary data for the subsequent school year and fiscal
2 year.

3 ~~(B)~~(ii) Report all financial operations within the supervisory
4 union to the Secretary and State Board for the preceding school year on or
5 before August 15 of each year, ~~using a format approved by the Secretary.~~

6 ~~(C)~~(iii) Report all financial operations for each member school
7 district to the Secretary and State Board for the preceding school year on or
8 before August 15 of each year, ~~using a format approved by the Secretary.~~

9 ~~(D)~~(B) Prepare for each district an itemized report detailing the
10 portion of the proposed supervisory union budget for which the district would
11 be assessed for the subsequent school year identifying the component costs by
12 category and explaining the method by which the district's share for each cost
13 was calculated; and provide the report to each district at least 14 days before a
14 budget, including the supervisory union assessment, is voted on by the
15 electorate of the district.

16 Sec. E.500.3 INTERSTATE SCHOOL DISTRICT

17 (a) The General Assembly supports the study by the board of the Stamford
18 school district of the formation of an interstate school district that would
19 combine the Stamford school district with the Clarksburg, Massachusetts
20 school district. On or before December 15, 2018, the board of the Stamford
21 school district shall report its findings and recommendations to the General

1 Assembly.

2 Sec. E.500.4 EDUCATOR LICENSURE REQUIREMENTS

3 (a) The Vermont Standards Board for Professional Educators shall consider
4 whether the educator licensure and endorsement requirements are appropriate
5 or should be updated. As part of its review, the Board shall consider whether
6 the use by a school of a school-based teacher quality and performance
7 measurement program approved by the New England Association of Schools
8 and Colleges, or examinations offered by the Smarter Balanced Assessment
9 Consortium, should be used as criteria to qualify for licensure and
10 endorsement. On or before December 1, 2018, the Board shall report its
11 findings and recommendations to the House and Senate Committees on
12 Education.

13 (b) As part of its review under subsection (a) of this section, the Vermont
14 Standards Board for Professional Educators shall consider whether the
15 educator licensure and endorsement requirements for teachers in career
16 technical education centers are appropriate or should be updated. After the
17 House and Senate Committees on Education have concluded their
18 consideration of the report of the Vermont Standards Board for Professional
19 Educators under subsection (a) of this section, the Vermont Standards Board
20 for Professional Educators and the State Board of Education shall either update
21 their educator licensure and endorsement rules for teachers in career technical

1 education centers or issue a report to the House and Senate Committees on
2 Education that they do not intend to update these rules. Until the date upon
3 which these updated rules are implemented or the report is issued, teachers
4 employed by career technical centers who were hired before April 1, 2018 and
5 who do not have the licensure or endorsement that is required under applicable
6 rules shall be exempt from these rules and any requirement to pursue licensure
7 or endorsement under these rules.

8 (c) Notwithstanding subsection (b) of this section and any provision of law
9 to the contrary, an employee in an approved area career technical center
10 located in an approved independent school who was hired before April 1, 2018
11 and who did not have the licensure or endorsement that is required under
12 applicable rules governing career technical centers shall be exempt from these
13 rules. An employee hired on or after April 1, 2018 shall be subject to these
14 rules, and an employee hired before April 1, 2018 who complied with these
15 rules shall maintain his or her licensure and endorsements as required by these
16 rules.

17 Sec. E.500.5 RESTORATIVE JUSTICE PRINCIPLES FOR RESPONDING
18 TO SCHOOL DISCIPLINE PROBLEMS

19 (a) On or before July 1, 2019, the Agency of Education shall issue
20 guidance to all public school boards and boards of approved independent
21 schools that sets out restorative justice principles for responding to school

1 discipline problems. Each public school board and each board of an approved
2 independent school shall consider this guidance and whether to adopt a policy
3 on the use of restorative justice principles for responding to school discipline
4 problems. The restorative justice principles contained in the Agency guidance
5 shall be designed to:

6 (1) decrease the use of exclusionary discipline;

7 (2) ensure that disciplinary measures are applied fairly and do not target
8 students based on race, ethnicity, gender, family income level, sexual
9 orientation, immigration status, or disability status; and

10 (3) provide students with the opportunity to make academic progress
11 while suspended or expelled.

12 Sec. E.500.6 IMPLEMENTATION OF RESTORATIVE JUSTICE

13 PRINCIPLES; GRANT PROGRAM

14 (a) The Agency of Education shall use funding under 16 V.S.A. § 2969(c)
15 to assist public and approved independent schools with the adoption and
16 implementation of restorative justice principles for responding to school
17 discipline problems. The Agency shall determine the eligibility criteria for
18 receiving a grant and determining the grant amount, and shall monitor the use
19 of grant monies.

20 (b) On or before December 1, 2018, 2019, and 2020, the Secretary of
21 Education shall submit a written report to the House Committees on Education

1 and on Judiciary and the Senate Committees on Education and on Judiciary
2 describing the eligibility criteria for receiving a grant and for determining the
3 grant amount, identifying the grant recipients and the amounts they received in
4 grant monies, and the use of grant monies by the recipients.

5 Sec. E.500.7 PREKINDERGARTEN EDUCATION; REPORT

6 (a) The Agency of Education, in consultation with the Agency of Human
7 Services, shall commission an independent study to recommend how to more
8 effectively and efficiently provide prekindergarten education that considers:

9 (1) whether the current delivery and funding models are working
10 effectively to provide prekindergarten education services, and if not, the issues
11 with the current models and recommendations to enhance the quality and
12 effectiveness of these models;

13 (2) how Vermont families make early care and education arrangements
14 for their children under six years of age, including what factors may constrain
15 parental choices;

16 (3) how well the prekindergarten system is operating to provide
17 prekindergarten education to all eligible Vermont children and how to provide
18 equitable access to prekindergarten education for children from economically
19 deprived backgrounds;

20 (4) how to identify ways that the prekindergarten education system may
21 create undesirable outcomes for prekindergarten students, their parents or

1 guardians, or providers of prekindergarten education services or child care
2 services and steps to mitigate them; and

3 (5) how to simplify regulatory oversight and administration of
4 prekindergarten education.

5 (b)(1) On or before March 15, 2019, the Agency of Education shall report
6 on the status of the independent study to the House Committees on Education
7 and on Human Services and the Senate Committees on Education and on
8 Health and Welfare.

9 (2) On or before July 1, 2019, the Agency of Education shall report the
10 results of the independent study to the House Committees on Education and on
11 Human Services and the Senate Committees on Education and on Health and
12 Welfare.

13 Sec. E.500.8 ELECTIONS; UNIFIED UNION SCHOOL DISTRICT

14 (a) Notwithstanding any provision of law to the contrary, the election of a
15 director to the board of a unified union school district who is to serve on the
16 board after the expiration of the term for an initial director shall be held at the
17 unified union school district's annual meeting unless otherwise provided in the
18 district's articles of agreement.

19 (b) Notwithstanding any provision of law to the contrary, if a vacancy
20 occurs on the board of a unified union school district, and the vacancy is in a
21 seat that is allocated to a specific town, the clerk of the unified union school

1 district shall immediately notify the selectboard of the town. Within 30 days
2 after the receipt of that notice, the unified union school district board, in
3 consultation with the selectboard, shall appoint a person who is otherwise
4 eligible to serve as a member of the unified union school district board to fill
5 the vacancy until an election is held at an annual or special meeting, unless
6 otherwise provided in accordance with the unified union school district's
7 articles of agreement.

8 (c) This section is repealed on July 1, 2020.

9 Sec. E.502 Education – special education: formula grants

10 (a) Of the appropriation authorized in this section, and notwithstanding any
11 other provision of law, an amount not to exceed \$3,665,521 shall be used by
12 the Agency of Education in fiscal year 2019 as funding for 16 V.S.A. §
13 2967(b)(2)–(6). In distributing such funds, the Secretary shall not be limited
14 by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

15 Sec. E.503 Education – state-placed students

16 (a) The Independence Place Program of the Lund Family Center shall be
17 considered a 24-hour residential program for the purposes of reimbursement of
18 education costs.

19 Sec. E.504.1 Education – flexible pathways

20 (a) Of this appropriation, \$3,916,000 from the Education Fund shall be
21 distributed to school districts for reimbursement of high school completion

1 services pursuant to 16 V.S.A. § 943(c). Notwithstanding 16 V.S.A.
2 § 4025(b), of this Education Fund appropriation, the amount of:

3 (1) \$740,000 is available for dual enrollment programs and the amount
4 of \$36,000 is available for use pursuant to Sec. E.605.1(a)(2) of this act;

5 (2) \$100,000 is available to support the Vermont Virtual Learning
6 Cooperative at the River Valley Technical Center School District;

7 (3) \$200,000 is available for secondary school reform grants; and

8 (4) \$450,000 is available for the Vermont Academy of Science and
9 Technology and \$1,870,000 for Early College pursuant to 16 V.S.A. § 946.

10 Sec. E.505 REIMBURSEMENT FOR NEWBURY SCHOOL DISTRICT

11 (a) Notwithstanding any other provision of law, in addition to the education
12 payment due to the Newbury School District for fiscal year 2019, the Agency
13 of Education shall pay \$44,471 from the Education Fund to the Newbury
14 School District to compensate the district for a pre-K census error in fiscal
15 years 2016 and 2017.

16 Sec. E.513 [DELETED]

17 Sec. E.514 State teachers' retirement system

18 (a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to
19 the State Teachers' Retirement System (STRS) shall be \$105,640,777 of which
20 \$99,940,777 shall be the State's contribution and \$5,700,000 shall be
21 contributed from local school systems or educational entities pursuant to

1 16 V.S.A. § 1944c.

2 (b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution,
3 \$8,081,768 is the “normal contribution,” and \$97,559,009 is the “accrued
4 liability contribution.”

5 Sec. E.515 Retired teachers’ health care and medical benefits

6 (a) In accordance with 16 V.S.A. § 1944b(b)(2), \$31,639,205 will be
7 contributed to the Retired Teachers’ Health and Medical Benefits Fund.

8 Sec. E.515.1 16 V.S.A. § 1942(p) is amended to read:

9 (p) The Board shall enter into insurance arrangements to provide health
10 and medical benefits for retired members and their dependents. The State is
11 legally responsible for the costs of the health and medical benefits provided in
12 this chapter in the amounts specified in section 1944e of this chapter. The
13 Board may enter into insurance arrangements to provide dental coverage for
14 retired members and their dependents, provided the State or the System has no
15 legal obligation to pay any portion of the dental benefit premiums.

16 Sec. E.515.2 16 V.S.A. § 1944d is amended to read:

17 § 1944d. EMPLOYER ANNUAL CHARGE FOR TEACHER HEALTH
18 CARE

19 (a) The Beginning on July 1, 2018, the employer of teachers who become
20 members of the State Teachers’ Retirement System of Vermont on or after
21 July 1, 2015 shall pay an annual assessment ~~for those teachers’ health and~~

1 ~~medical benefits of \$1,275.00 for each such teacher to the Benefits Fund.~~

2 ~~(b) The assessment shall be the value, Beginning on July 1, 2019, and each~~
3 ~~year thereafter, the annual assessment shall be adjusted to account for inflation,~~
4 ~~as approved annually by the Board of Trustees based on the actuary's~~
5 ~~recommendation, of the portion of future retired teachers' health and medical~~
6 ~~benefits attributable to those teachers for each year of service in the State~~
7 ~~Teachers' Retirement System of Vermont. The equivalent number for the June~~
8 ~~30, 2013 valuation is \$1,072.00.~~

9 Sec. E.515.3 EVALUATION OF EMPLOYER ANNUAL CHARGE FOR
10 TEACHER HEALTH CARE; REPORT

11 ~~(a) On or before January 15, 2023, the State Treasurer, in consultation with~~
12 ~~representatives from the Vermont-National Education Association and~~
13 ~~Vermont Association of School Business Officers, shall evaluate and prepare a~~
14 ~~report on the impact of repealing the employer annual charge for teacher~~
15 ~~health care.~~

16 ~~(b) The State Treasurer shall submit the report described in subsection (a)~~
17 ~~of this section to the House and Senate Committees on Appropriations.~~

18 Sec. E.515.4 REPEAL OF EMPLOYER ANNUAL CHARGE FOR
19 TEACHER HEALTH CARE

20 ~~(a) The employer annual charge for teacher health care, established in~~
21 ~~16 V.S.A. § 1944d, is repealed on July 1, 2023.~~

1 (a) The Commissioner of Finance and Management shall issue warrants to
2 pay one-twelfth of this appropriation to the Vermont State Colleges on or
3 about the 15th day of each calendar month of the year.

4 (b) Of this appropriation, \$427,898 shall be transferred to the Vermont
5 Manufacturing Extension Center for the purpose of complying with State
6 matching fund requirements necessary for the receipt of available federal or
7 private funds, or both.

8 Sec. E.603 Vermont state colleges – allied health

9 (a) If Global Commitment fund monies are unavailable, the total grant
10 funding for the Vermont State Colleges shall be maintained through the
11 General Fund or other State funding sources.

12 (b) The Vermont State Colleges shall use the Global Commitment funds
13 appropriated in this section to support the dental hygiene, respiratory therapy,
14 and nursing programs that graduate approximately 315 health care providers
15 annually. These graduates deliver direct, high-quality health care services to
16 Medicaid beneficiaries or uninsured or underinsured persons, or both.

17 Sec. E.605 Vermont student assistance corporation

18 (a) Of this appropriation, \$25,000 is appropriated from the General Fund to
19 the Vermont Student Assistance Corporation to be deposited into the Trust
20 Fund established in 16 V.S.A. § 2845.

21 (b) Of this appropriation, not more than \$200,000 may be used by the

1 Vermont Student Assistance Corporation for a student aspirational pilot
2 initiative to serve one or more high schools.

3 (c) Of the appropriated amount remaining after accounting for subsections
4 (a) and (b) of this section, not less than 93 percent of this appropriation shall
5 be used for direct student aid.

6 (d) Funds available to the Vermont Student Assistance Corporation
7 pursuant to Sec. E.215(a) of this act shall be used for the purposes of 16
8 V.S.A. § 2856. Any unexpended funds from this allocation shall carry forward
9 for this purpose.

10 Sec. E.605.1 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND
11 EARLY COLLEGE STUDENTS

12 (a) The sum of \$72,000 shall be transferred to the Vermont Student
13 Assistance Corporation (VSAC) as follows:

14 (1) \$36,000 from Sec. B.1100(a)(3)(C) (Next Generation funds
15 appropriated for dual enrollment and need-based stipend purposes).

16 (2) \$36,000 pursuant to Sec. E.504.1(a)(1) (flexible pathways funds
17 appropriated for dual enrollment and need-based stipend purposes).

18 (b) The sums transferred to VSAC in this section shall be used to fund a
19 flat-rate, need-based stipend or voucher program for financially needy students
20 enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early
21 college pursuant to 16 V.S.A. § 946 to be used for the purchase of books, cost

1 of transportation, and payment of fees. VSAC shall establish the criteria for
2 program eligibility. Funds shall be granted to eligible students on a first-come,
3 first-served basis until funds are depleted.

4 (c) VSAC shall report on the program to the House Committees on
5 Appropriations and on Commerce and Economic Development and to the
6 Senate Committees on Appropriations and on Economic Development,
7 Housing and General Affairs on or before January 15, 2019.

8 * * * NATURAL RESOURCES * * *

9 Sec. E.700 VOLKSWAGEN LITIGATION; ENVIRONMENTAL
10 MITIGATION TRUST FOR STATE BENEFICIARIES

11 (a) As used in this section:

12 (1) "Appendix D-2" means Appendix D-2 to the Environmental
13 Mitigation Trust, entitled "Eligible Mitigation Actions and Mitigation Action
14 Expenditures."

15 (2) "Environmental Mitigation Trust" or "Trust" means the
16 Environmental Mitigation Trust Agreement for State Beneficiaries filed on
17 October 2, 2017 in In re: Volkswagen "Clean Diesel" Marketing, Sales
18 Practices, and Products Liability Litigation, 3:16-CV-00295-CRB, MDL No.
19 2672 CRB (JSC) (N.D. Cal.).

20 (3) "Mobile source" means any vehicle, freight switcher, ferry, tug,
21 vessel, or equipment that qualifies under an eligible mitigation action listed in

1 Appendix D-2.

2 (b) The Secretary of Natural Resources shall administer Environmental
3 Mitigation Trust monies pursuant to 10 V.S.A. § 554(15) and, in administering
4 the Trust monies appropriated under Sec. B.710 of this act, shall:

5 (1) Dedicate at least 15 percent of those monies for the purchase of light
6 duty electric supply equipment and associated allowable administrative costs
7 in accordance with Appendix D-2.

8 (2) Dedicate the remainder of the monies to the replacement of mobile
9 sources that consume fossil fuels with all-electric mobile sources or the
10 repowering of mobile sources that consume fossil fuels with all-electric
11 engines, or both, and associated allowable administrative costs. The
12 expenditures shall be in accordance with the requirements of Appendix D-2.

13 Sec. E.700.1 [DELETED]

14 Sec. E.700.2 2017 Acts and Resolves No. 47, Sec. 2 is amended to read:

15 Sec. 2. COMMISSION ON ACT 250: THE NEXT 50 YEARS; REPORT

16 * * *

17 (i) Reimbursement.

18 (A) For attendance at no more than ~~10~~ 14 Commission meetings
19 during adjournment of the General Assembly, legislative members of the
20 Commission shall be entitled to per diem compensation and reimbursement of
21 expenses pursuant to 2 V.S.A. § 406.

1 (B) There shall be no reimbursement for attendance at subcommittee
2 meetings or more than ~~10~~ 14 Commission meetings.

3 * * *

4 * * * COMMERCE AND COMMUNITY DEVELOPMENT * * *

5 Sec. E.800 [DELETED]

6 Sec. E.802 Housing & community development

7 (a) Of the General Funds appropriated in Sec. B.802 of this act, the sum of
8 \$100,000 of General Funds is intended to support planning and
9 implementation of a community development program targeting outdoor
10 recreation, in consultation with the Department of Forests, Parks and
11 Recreation.

12 Sec. E.808 Vermont council on the arts

13 (a) The Vermont Council on the Arts shall pay its full lease charge as
14 assessed by the Department of Buildings and General Services.

15 * * * TRANSPORTATION * * *

16 Sec. E.900 FISCAL YEAR 2019 TRANSPORTATION FUND

17 CONTINGENT APPROPRIATION

18 (a) In the event contingent spending authority of transportation funds is
19 increased to the statewide district leveling program or the maintenance
20 program as provided and under the terms prescribed in Sec. 8 of H.917 of
21 2018, the appropriation of transportation funds in, respectively, Sec. B.903,

1 Program Development, and Sec. B.905, Maintenance, of this act are increased
2 in the same amount.

3 * * * MISCELLANEOUS AND TECHNICAL CORRECTIONS * * *

4 Sec. F.100 10 V.S.A. § 128 is amended to read:

5 § 128. VERMONT CENTER FOR GEOGRAPHIC INFORMATION
6 SPECIAL FUND

7 (a) A Special Fund is created for the operation of the Vermont Center for
8 Geographic Information in the Agency of ~~Commerce and Community~~
9 ~~Development~~ Digital Services. The Fund shall consist of revenues derived
10 from the charges by the Agency of ~~Commerce and Community Development~~
11 Digital Services pursuant to subsection (c) of this section for the provision of
12 Geographic Information products and services, interest earned by the Fund,
13 and sums which from time to time may be made available for the support of
14 the Center and its operations. The Fund shall be established and managed
15 pursuant to 32 V.S.A. chapter 7, subchapter 5 and shall be available to the
16 Agency to support activities of the Center.

17 (b) The receipt and expenditure of monies from the Special Fund shall be
18 under the supervision of the Secretary of ~~Commerce and Community~~
19 ~~Development~~ Digital Services.

20 (c) Notwithstanding 32 V.S.A. § 603, the Secretary of ~~Commerce and~~
21 ~~Community Development~~ Digital Services is authorized to impose charges

1 reasonably related to the costs of the products and services of the Vermont
2 Center for Geographic Information, including the cost of personnel,
3 equipment, supplies, and intellectual property.

4 Sec. F.101 10 V.S.A. § 122 is amended to read:

5 § 122. VERMONT CENTER FOR GEOGRAPHIC INFORMATION,
6 INCORPORATED; ESTABLISHMENT

7 * * *

8 (b) In order to develop and implement that strategy, and to ensure that all
9 data gathered by State agencies that is relevant to the VGIS shall be in a form
10 that is compatible with, useful to, and shared with that geographic information
11 system, there is hereby established as a division under the Agency of
12 ~~Commerce and Community Development~~ Digital Services the Vermont Center
13 for Geographic Information (the Center).

14 * * * EFFECTIVE DATES for Secs. A.100-G.100 * * *

15 Sec. G.100 EFFECTIVE DATES

16 (a) This section and Secs. C.100 (fiscal year 2018 technical correction,
17 VSAC), C.101 (fiscal year 2018 General Fund reversion repeal), C.102 (fiscal
18 year 2018 Medicaid carry forward requirement), C.103 (fiscal year 2018 carry
19 forward of fiscal year 2017 one-time appropriation), C.105-C.105.1 (fiscal
20 year 2018 tobacco litigation settlement fund receipts, transfers, and
21 appropriations), C.106 (fiscal year 2018 CHINS cases system strategic

1 reform), C.106.1 (fiscal year 2018 substance use disorder, mental health
2 workforce expansion), C.106.2 (fiscal year 2018 substance use disorder
3 response initiatives), C.108 (fiscal year 2018 budget adjustment repeals),
4 C.109 (fiscal year 2018 federal funds contingent appropriation), C.110 (fiscal
5 year 2018 climate commission implementation), C.111-C.114 (fiscal year 2018
6 Agency of Education adjustments), C.115-C.118 (fiscal year 2018 teachers'
7 retirement system and health care and medical benefits adjustments), C.119
8 (fiscal year 2018 fund transfers, reversions and reserves), C.1000 (fiscal year
9 2018 one-time transfers and reversions), D.102 (Tobacco Litigation Settlement
10 Fund balance), E.126 (Legislative Branch workforce comparative evaluation),
11 E.126.1 (Vermont justice system review), E.126.2 (Joint Information
12 Technology Oversight Committee), E.127 (JFO review and evaluation of
13 Corrections health care services), E.233.2 (short-term emergency funding to
14 maintain critical wireless E-911 service), and E.308 (Choices for Care) shall
15 take effect on passage.

16 (b) Notwithstanding 1 V.S.A. § 214, Sec. E.111.1 (Tax Computer System
17 Modernization Fund) shall take effect on passage and apply retroactively to
18 July 1, 2017.

19 (c) Secs E.215.1- E.215.4 of this act shall take effect on July 1, 2018 and
20 the tuition benefits established under the Vermont National Guard Tuition
21 Benefit Program shall be available to eligible Vermont National Guard

1 members enrolled in institutions under the Program starting on or after
2 January 1, 2019.

3 (d) All remaining sections shall take effect on July 1, 2018.

4 * * * Personal Income Tax Changes * * *

5 * * * Taxable Income * * *

6 Sec. H.1 32 V.S.A. § 5811 is amended to read:

7 § 5811. DEFINITIONS

8 * * *

9 (21) “Taxable income” means, in the case of an individual, federal
10 adjusted gross income determined without regard to 26 U.S.C. § 168(k) and:

11 * * *

12 (B) Decreased by the following items of income (to the extent such
13 income is included in federal adjusted gross income):

14 (i) income from U.S. government obligations;

15 (ii) with respect to adjusted net capital gain income as defined in
16 26 U.S.C. § 1(h) reduced by the total amount of any qualified dividend
17 income: either the first \$5,000.00 of such adjusted net capital gain income; or
18 40 percent of adjusted net capital gain income from the sale of assets held by
19 the taxpayer for more than three years, except not adjusted net capital gain
20 income from:

21 (I) the sale of any real estate or portion of real estate used by

1 the taxpayer as a primary or nonprimary residence; or

2 (II) the sale of depreciable personal property other than farm
3 property and standing timber; or stocks or bonds publicly traded or traded on
4 an exchange, or any other financial instruments; regardless of whether sold by
5 an individual or business; and provided that the total amount of decrease under
6 this subdivision (21)(B)(ii) shall not exceed 40 percent of federal taxable
7 income; ~~and~~

8 (iii) recapture of State and local income tax deductions not taken
9 against Vermont income tax; and

10 (iv) the portion of federally taxable benefits received under the
11 federal Social Security Act that is required to be excluded under section 5830e
12 of this chapter; and

13 (C) Decreased by the following exemptions and deductions:

14 (i) the amount of personal exemptions taken at the federal level a
15 personal exemption of \$4,150.00 per person for the taxpayer, for the spouse or
16 the deceased spouse of the taxpayer whose filing status under section 5822 of
17 this chapter is married filing a joint return or surviving spouse, and for each
18 individual qualifying as a dependent of the taxpayer under 26 U.S.C. § 152,
19 provided that no exemption may be claimed for an individual who is a
20 dependent of another taxpayer;

21 (ii) ~~for taxpayers who do not itemize at the federal level, the~~

1 ~~amount of the a standard deduction taken at the federal level determined as~~
2 ~~follows:~~

3 ~~(I) for taxpayers whose filing status under section 5822 of this~~
4 ~~chapter is unmarried (other than surviving spouses or heads of households) or~~
5 ~~married filing separate returns, \$6,000.00;~~

6 ~~(II) for taxpayers whose filing status under section 5822 of this~~
7 ~~chapter is head of household, \$9,000.00;~~

8 ~~(III) for taxpayers whose filing status under section 5822 of~~
9 ~~this chapter is married filing joint return or surviving spouse, \$12,000.00; and~~

10 ~~(iii) for taxpayers who itemize at the federal level:~~

11 ~~(I) the amount of federally itemized deductions for medical and~~
12 ~~dental expenses and charitable contributions;~~

13 ~~(II) the total amount of federally itemized deductions, other~~
14 ~~than deductions for State and local income taxes, medical and dental expenses,~~
15 ~~and charitable contributions, deducted from federal adjusted gross income for~~
16 ~~the taxable year, but in no event shall the amount under this subdivision~~
17 ~~exceed two and one-half times the federal standard deduction allowable to the~~
18 ~~taxpayer; and~~

19 ~~(III) in no event shall the total amount of deductions allowed~~
20 ~~under subdivisions (I) and (II) of this subdivision (21)(C)(iii) reduce the total~~
21 ~~amount of itemized deductions below the federal standard deduction allowable~~

1 to the taxpayer an additional deduction of \$1,000.00 for each federal deduction
2 under 26 U.S.C. § 63(f) that the taxpayer qualified for and received; and
3 (iv) the dollar amounts of the personal exemption allowed under
4 subdivision (i) of this subdivision (21)(C), the standard deduction allowed
5 under subdivision (ii) of this subdivision (21)(C), and the additional deduction
6 allowed under subdivision (iii) of this subdivision (21)(C) shall be adjusted
7 annually for inflation by the Commissioner of Taxes beginning with taxable
8 year 2018 by using the Consumer Price Index and the same methodology as
9 used for adjustments under 26 U.S.C. § 1(f)(3); provided, however, that as
10 used in this subdivision “consumer price index” means the last Consumer Price
11 Index for All Urban Consumers published by the U.S. Department of Labor.

12 * * *

13 * * * Personal Income Tax Rates * * *

14 Sec. H.2 PERSONAL INCOME TAX RATES

15 (a) 2009 Spec. Sess. Acts and Resolves No. 2, Sec. 20 is repealed.

16 (b) For taxable year 2018 and after, income tax rates under 32 V.S.A.
17 § 5822(a)(1)-(5), after taking into consideration any inflation adjustments to
18 taxable income as required by 32 V.S.A. § 5822(b)(2), shall be as follows:

19 (1) taxable income that without the passage of this act would have been
20 subject to a rate of 3.55 percent shall be taxed at the rate of 3.35 percent
21 instead;

1 following tables, and adjusted as required under this section:

2 * * *

3 (b) As used in this section:

4 (1) “Married individuals,” “surviving spouse,” “head of household,”
5 “unmarried individual,” “estate,” and “trust” have the same meaning as under
6 the Internal Revenue Code.

7 (2) The amounts of taxable income shown in the tables in this section
8 shall be adjusted annually for inflation by the Commissioner of Taxes, using
9 the Consumer Price Index adjustment percentage, in the manner prescribed for
10 inflation adjustment of federal income tax tables for the taxable year by the
11 Commissioner of Internal Revenue, beginning with taxable year 2003;
12 provided, however, notwithstanding 26 U.S.C. § 1(f)(3), that as used in this
13 subdivision, “consumer price index” means the last Consumer Price Index for
14 All Urban Consumers published by the U.S. Department of Labor.

15 * * *

16 (d)(1) A taxpayer shall be entitled to a credit against the tax imposed
17 under this section of 24 percent of each of the credits allowed against the
18 taxpayer’s federal income tax for the taxable year as follows: credit for people
19 who are elderly or permanently totally disabled, investment tax credit
20 attributable to the Vermont-property portion of the investment, and child care
21 and dependent care credits.

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(3) Individuals shall receive a nonrefundable charitable contribution credit against the tax imposed under this section for the taxable year. The credit shall be five percent of the first \$20,000.00 in charitable contributions made during the taxable year that are allowable under 26 U.S.C. § 170. This credit shall be available irrespective of a taxpayer's election not to itemize at the federal level.

* * *

Sec. H.4 32 V.S.A. § 5828b(a) is amended to read:

(a) A resident individual or part-year resident individual who is entitled to an earned income tax credit granted under the laws of the United States shall be entitled to a credit against the tax imposed for each year by section 5822 of this title. The credit shall be ~~32~~ 36 percent of the earned income tax credit granted to the individual under the laws of the United States, multiplied by the percentage ~~which~~ that the individual's earned income that is earned or received during the period of the individual's residency in this State bears to the individual's total earned income.

Sec. H.5 32 V.S.A. § 5830e is added to read:

§ 5830e. SOCIAL SECURITY INCOME

The portion of federally taxable Social Security benefits excluded from taxable income under subdivision 5811(21)(B)(iv) of this chapter shall be as

1 follows:

2 (1) For taxpayers whose filing status is single, married filing separately,
3 head of household, or qualifying widow or widower:

4 (A) If the federal adjusted gross income of the taxpayer is less than
5 or equal to \$45,000.00, all federally taxable benefits received under the federal
6 Social Security Act shall be excluded.

7 (B) If the federal adjusted gross income of the taxpayer is greater
8 than \$45,000.00 but less than \$55,000.00, the percentage of federally taxable
9 benefits received under the Social Security Act to be excluded shall be
10 proportional to the amount of the taxpayer's federal adjusted gross income
11 over \$45,000.00, determined by:

12 (i) subtracting the federal adjusted gross income of the taxpayer
13 from \$55,000.00;

14 (ii) dividing the value under subdivision (i) of this subdivision (B)
15 by \$10,000.00; and

16 (iii) multiplying the value under subdivision (ii) of this
17 subdivision (B) by the federally taxable benefits received under the Social
18 Security Act.

19 (C) If the federal adjusted gross income of the taxpayer is equal to or
20 greater than \$55,000.00, no amount of the federally taxable benefits received
21 under the Social Security Act shall be excluded under this section.

1 (2) For taxpayers whose filing status is married filing jointly:

2 (A) If the federal adjusted gross income of the taxpayer is less than
3 or equal to \$60,000.00, all federally taxable benefits received under the Social
4 Security Act shall be excluded.

5 (B) If the federal adjusted gross income of the taxpayer is greater
6 than \$60,000.00 but less than \$70,000.00, the percentage of federally taxable
7 benefits received under the Social Security Act to be excluded shall be
8 proportional to the amount of the taxpayer's federal adjusted gross income
9 over \$60,000.00, determined by:

10 (i) subtracting the federal adjusted gross income of the taxpayer
11 from \$70,000.00;

12 (ii) dividing the value under subdivision (i) of this subdivision (B)
13 by \$10,000.00; and

14 (iii) multiplying the value under subdivision (ii) of this
15 subdivision (B) by the federally taxable benefits received under the Social
16 Security Act.

17 (C) If the federal adjusted gross income of the taxpayer is equal to or
18 greater than \$70,000.00, no amount of the federally taxable benefits received
19 under the Social Security Act shall be excluded under this section.

20 Sec. H.6 32 V.S.A. § 5813 is amended to read:

21 § 5813. STATUTORY PURPOSES

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(w) The statutory purpose of the partial exemption of federally taxable benefits under the Social Security Act in section 5830e of this title is to lessen the tax burden on Vermonters with low to moderate income who derive part of their income from Social Security benefits.

(x) The statutory purpose of the charitable contribution credit in subdivision 5822(d)(3) of this title is to reduce the tax liability for Vermonters who contribute to charitable causes.

Sec. H.7 32 V.S.A. § 5824 is amended to read:

§ 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

The statutes of the United States relating to the federal income tax, as in effect ~~for taxable year 2016~~ on December 31, 2017, but without regard to federal income tax rates under 26 U.S.C. § 1, are hereby adopted for the purpose of computing the tax liability under this chapter.

* * * Allocation of Education Funds * * *

Sec. H.8 16 V.S.A. § 4025 is amended to read:

§ 4025. EDUCATION FUND

(a) The Education Fund is established to comprise the following:

(1) ~~All~~ all revenue paid to the State from the statewide education tax on nonresidential and homestead property under 32 V.S.A. chapter 135;

(2) ~~For each fiscal year, the amount of the general funds appropriated~~

1 and transferred to the Education Fund shall be ~~\$305,900,000.00~~, to be
2 increased annually beginning for fiscal year ~~2018~~ by the consensus Joint Fiscal
3 Office and Administration determination of the National Income and Product
4 Accounts (NIPA) Implicit Price Deflator for State and Local Government
5 Consumption Expenditures and Gross Investment as reported by the U.S.
6 Department of Commerce, Bureau of Economic Analysis through the fiscal
7 year for which the payment is being determined, ~~plus an additional one-tenth~~
8 ~~of one percent.~~ [Repealed.]

9 (3) ~~Revenues~~ revenues from State lotteries under 31 V.S.A. chapter 14,
10 and from any multijurisdictional lottery game authorized under that chapter;

11 (4) 25 percent of the revenues from the meals and rooms taxes imposed
12 under 32 V.S.A. chapter 225;

13 (5) ~~One-third~~ one-third of the revenues raised from the purchase and use
14 tax imposed by 32 V.S.A. chapter 219, notwithstanding 19 V.S.A. § 11(1);

15 (6) ~~Thirty-six percent of the revenues raised from the sales and use tax~~
16 ~~imposed by 32 V.S.A. chapter 233;~~ and

17 (7) Medicaid reimbursement funds pursuant to subsection 2959a(f) of
18 this title.

19 (b) Monies in the Education Fund shall be used for the following:

20 (1) To make payments to school districts and supervisory unions for the
21 support of education in accordance with the provisions of section 4028 of this

1 title, other provisions of this chapter, ~~and~~ the provisions of 32 V.S.A.
2 chapter 135, ~~to make payments to carry out programs of adult education in~~
3 ~~accordance with section 945 of this title, and to provide funding for the~~
4 ~~community high school of Vermont~~ and the Flexible Pathways Initiative
5 established by 16 V.S.A. § 941, but excluding adult education and literacy
6 programs under 16 V.S.A. § 945.

7 * * *

8 (3) To make payments required under 32 V.S.A. § 6066(a)(1) ~~and (2)~~
9 and only that portion attributable to education taxes, as determined by the
10 Commissioner of Taxes, of payments required under 32 V.S.A. § 6066(a)(3)
11 ~~and 6066(b)~~. The State Treasurer shall withdraw funds from the Education
12 Fund upon warrants issued by the Commissioner of Finance and Management
13 based on information supplied by the Commissioner of Taxes. The
14 Commissioner of Finance and Management may draw warrants for
15 disbursements from the Fund in anticipation of receipts. All balances in the
16 Fund at the end of any fiscal year shall be carried forward and remain a part of
17 the Fund. Interest accruing from the Fund shall remain in the Fund.

18 * * *

19 (c) ~~An equalization and reappraisal account is established within the~~
20 ~~Education Fund. Monies from this account are to be used by the Division of~~
21 ~~Property Valuation and Review to assist towns with maintenance or reappraisal~~

1 ~~on a case-by-case basis; and for reappraisal and grand list maintenance~~
2 ~~assistance payments pursuant to 32 V.S.A. §§ 4041a and 5405(f). [Repealed.]~~

3 * * *

4 Sec. H.9 32 V.S.A. § 435(b) is amended to read:

5 (b) The General Fund shall be composed of revenues from the following
6 sources:

7 * * *

8 (7) ~~Meals~~ 75 percent of the meals and rooms taxes levied pursuant to
9 chapter 225 of this title;

10 * * *

11 (11) ~~64 percent of the revenue from sales and use taxes levied pursuant~~
12 ~~to chapter 233 of this title; [Repealed.]~~

13 * * *

14 Sec. H.10 REPORT

15 (a) On or before January 1, 2024, the Joint Fiscal Office shall report to the
16 House Committees on Appropriations and on Ways and Means and the Senate
17 Committees on Appropriations and on Finance on the impact of the changes in
18 Secs. H. 8 and H. 9 of this act reallocating the revenues generated for the
19 General Fund and Education Fund.

20 * * * Yields * * *

21 Sec. H.11 32 V.S.A. § 5402b(b) is amended to read:

1 (b) For each fiscal year, ~~the General Assembly shall set a property dollar~~
2 ~~equivalent yield and an income dollar equivalent yield, consistent with the~~
3 ~~definitions in this chapter~~ the property dollar equivalent yield and the income
4 dollar equivalent yield shall be the same as in the prior fiscal year, unless set
5 otherwise by the General Assembly.

6 * * * *Intent* * * *

7 *Sec. H.11a INTENT*

8 *(a) The General Assembly recognizes that this act does not address all*
9 *Education Fund issues for fiscal year 2019 and it is the intent of the General*
10 *Assembly to address these issues in a subsequent bill.*

11 * * * Effective Dates; Transition for Secs. H.1-H.12* * *

12 Sec. H.12 EFFECTIVE DATES AND TRANSITION

13 (a) Secs. H.1 through H.12 shall take effect on passage, except:

14 (1) Notwithstanding 1 V.S.A. § 214, Secs. H.1–H.6 (income tax
15 changes) shall take effect retroactively on January 1, 2018 and apply to taxable
16 year 2018 and after.

17 (2) Notwithstanding 1 V.S.A. § 214, Sec. H.7 (income tax link to the
18 federal tax statutes) shall take effect retroactively on January 1, 2018 and
19 apply to taxable years beginning on January 1, 2017 and after.

20 (3) Secs. H.8–H.9 (General Fund and Education Fund revenues) and
21 H.11 (yields) shall take effect on July 1, 2018 and apply to fiscal year 2019

1 and after.