

## H.518: FY 2018 Senate Appropriations Budget Highlights

	<u>SAC unduplicated</u>			<u>House unduplicated</u>		
	<u>FY 2017</u> <u>BAA+Chgs</u>	<u>FY 2018</u> <u>Proposed</u>	<u>1 Yr</u> <u>Growth</u>	<u>FY 2017</u> <u>BAA+Chgs</u>	<u>FY 2018</u> <u>Proposed</u>	<u>1 Yr</u> <u>Growth</u>
General Fund	\$1,538.1	\$1,563.6	1.7%	\$1,535.7	\$1,563.8	1.8%
All State Funds	\$2,459.8	\$2,482.2	0.9%	\$2,459.6	\$2,479.7	0.8%
Net Ed Fund	\$1,271.9	\$1,314.4	3.3%	\$1,271.9	\$1,306.6	2.7%
Grand Total	\$5,755.2	\$5,830.0	1.3%	\$5,755.2	\$5,815.5	1.0%

### Overview of Senate Proposal: Work to address Senate priorities in the context of limited resources and potential additional federal cuts:

- Lives within existing revenues plus \$5M from added collection efforts: 1.7% General Fund spending growth is below FY 2018 3.7% forecast revenue growth and below 2% projected Gross State Product growth.
- Protects & strengthens reserves—Statutory 5% reserves full; proposes to bring Rainy Day Fund from \$6.8M to \$7.3 million with additional amounts possible at the close of FY 2017 and FY 2018. Caseload Reserve at \$18.26 and 27/53rd reserve at \$5.28M—Overall, GF-like reserves \$111M, or over 7% of prior year GF spending.

### Key actions

- **Mental Health**
  - Provided \$9.8 million to increase salaries for Designated Agencies for workers as part of an multi-year stabilization funding plan
  - This includes investments for crisis beds to reduce pressure and cost in the health care system
  - Funds increased hours of operation of peer to peer “warm” phone line through Pathways for Housing
  - Keeps promise to maintain the FY 2018 rollout of 2% increases to designated agencies and other providers that began September 2016
- **Child Care**
  - Provided \$3 million in funding:
    - To bring family eligibility levels up to the current year poverty level
    - To provide additional funding for centers and home based programs for infant and toddler and with high subsidy client populations
- **Other Human Services**
  - Eliminates house passed AHS grant reductions for human service grantees
  - Puts in place a plan to close the South East correctional facility coupled with a facility repurposing initiative for coordinated reentry
  - Expands an DOC plan for gradual increased use of electronic monitoring
  - Maintains cold weather exception and adds \$600,000 to increase shelter capacity in Barre and Rutland

- **Other Government Operations**

- Provides \$1,800,000 to fund police camera equipment cost
- Increases (PILOT) funding to municipalities that host state buildings to \$7.6 million— funds 76% of estimated PILOT obligations.
- State Employees: Funds reclassifications, including retroactive pay for judiciary positions
- Funds Guardian Ad litem, Judicial masters for opiate caseload, civil rights AG, and Court security
- Increases funding for school meals farm to school, State fairs and working lands
- Requires \$5 million in Administration reductions based on legislative conditions

- **Higher Education:**

- Provided \$4,000,000 base increased to the Vermont State Colleges and \$880,000 one-time payment for campus merger.
- Provided \$200,000 of the above funds to encourage high school continuance
- Provides \$250,000 one time for new in person and online initiative at Vermont Law School

- **Education Fund:**

- Limits Education Fund use to appropriate education fund expenditures with the addition of the “normal” Teacher’s Retirement \$7.9 million contribution to come from the Education Fund
- Reinstates the Statutory Education Fund transfer and, does not remove local decision making for Education Spending
- Increase for Community High School of Vermont and Adult Education

**For comparison the Growth Rates of the Governor’s Budget as proposed and as adjusted for local spending and Ebrd adopted Medicaid**

	<u>Governor unduplicated</u>			<u>Gov. Adjusted*</u>	
	<u>BAA</u> <u>As Passed</u>	<u>FY2018</u> <u>Proposed</u>	<u>1 Yr</u> <u>Growth</u>	<u>FY2018</u> <u>Gov Adj</u>	<u>1 Yr</u> <u>Growth</u>
General Fund	\$1,533.2	\$1,542.0	0.6%	\$1,552.0	1.2%
All State Funds	\$2,459.6	\$2,479.4	0.0%	\$2,467.4	0.4%
Net Ed Fund	\$1,271.9	\$1,295.7	1.9%	\$1,356.7	6.7%
Grand Total	\$5,752.6	\$5,786.2	0.6%	\$5,857.1	1.8%

*\*Adjusted for \$10m for EBoard adopted Medicaid budget and EF Local Spending*