

1 H.532

2 Introduced by Committee on Appropriations

3 Date:

4 Subject: limited budget adjustments; fiscal year 2019

5 Statement of purpose of bill as introduced: This bill proposes to make limited
6 adjustments to the budget

7 An act relating to limited adjustments to the fiscal year 2019 budget

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

9 Sec. 1. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.209 is amended to
10 read:

11 Sec. B.209 Public safety - state police

12	Personal services	54,187,733	55,962,516
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13	Operating expenses	10,167,293	10,167,293
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14	Grants	<u>1,356,805</u>	<u>1,356,805</u>
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15	Total	65,711,831	67,486,614
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16 Source of funds

17	General fund	36,604,914	38,379,697
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18	Transportation fund	20,250,000	20,250,000
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19	Special funds	2,984,667	2,984,667
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20	Federal funds	3,798,422	3,798,422
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1	Interdepartmental transfers	<u>2,073,828</u>	<u>2,073,828</u>
2	Total	65,711,831	67,486,614

3 Sec. 2. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.221 is amended to
4 read:

5 Sec. B.221 Criminal justice training council

6	Personal services	1,193,040	1,238,040
7	Operating expenses	<u>1,283,697</u>	<u>1,283,697</u>
8	Total	2,476,737	2,521,737

9 Source of funds

10	General fund	2,355,582	2,400,582
11	Interdepartmental transfers	<u>121,155</u>	<u>121,155</u>
12	Total	2,476,737	2,521,737

13 Sec. 3. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.338 is amended to
14 read:

15 Sec. B.338 Corrections - correctional services

16	Personal services	109,065,960	111,056,476
17	Operating expenses	21,128,473	21,128,473
18	Grants	<u>9,163,138</u>	<u>9,163,138</u>
19	Total	139,357,571	141,348,087

20 Source of funds

21	General fund	132,472,462	134,462,978
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1	Special funds	629,963	629,963
2	Federal funds	470,962	470,962
3	Global Commitment fund	5,387,869	5,387,869
4	Interdepartmental transfers	<u>396,315</u>	<u>396,315</u>
5	Total	139,357,571	141,348,087

6 Sec. 4. FISCAL YEAR 2019 ONE-TIME APPROPRIATIONS AND
7 TRANSFERS FROM THE GENERAL FUND

8 (a) The following appropriations are made from the General Fund in fiscal
9 year 2019:

10 (1) To the Agency of Digital Services: \$1,800,000 to be apportioned as
11 follows:

12 (A) \$1,300,000 for firewalls;
13 (B) \$500,000 to invest in hardware for the data storage of State
14 devices.

15 (b) The following transfer is made from the General Fund in fiscal year
16 2019:

17 (1) State Treasurer: \$22,200,000 from the General Fund to the Retired
18 Teachers' Health and Medical Benefits Fund to repay-in-full in fiscal year
19 2019 the interfund loan obligation authorized by 16 V.S.A. § 1944b(e). This
20 transfer shall be recognized as an additional contribution to the Retired
21 Teachers' Health and Medical Benefits Fund in fiscal year 2019.

1 Sec. 5. 32 V.S.A. § 308c is amended to read:

2 § 308c. GENERAL FUND AND TRANSPORTATION FUND BALANCE
3 RESERVES

4 (a) There is hereby created within the General Fund a General Fund
5 Balance Reserve, also known as the “Rainy Day Reserve.” After satisfying the
6 requirements of section 308 of this title, and after other reserve requirements
7 have been met, any remaining unreserved and undesignated end of fiscal year
8 General Fund surplus shall be reserved in the General Fund Balance Reserve.
9 The General Fund Balance Reserve shall not exceed five percent of the
10 appropriations from the General Fund for the prior fiscal year without
11 legislative authorization.

12 * * *

13 (3) Of the funds that would otherwise be reserved in the General Fund
14 Balance Reserve under this subsection, 50 percent of any such funds shall be
15 reserved as necessary and transferred from the General Fund to the ~~Retired~~
16 ~~Teachers’ Health and Medical Benefits Fund established by 16 V.S.A. § 1944b~~
17 ~~to reduce any outstanding balance of any interfund loan authorized by the State~~
18 ~~Treasurer from the General Fund. Upon joint determination by the~~
19 ~~Commissioner of Finance and Management and the State Treasurer that there~~
20 ~~is no longer any outstanding balance, no further transfers in accordance with~~

1 ~~this subdivision shall occur~~ Vermont State Employees' Postemployment
2 Benefits Trust Fund established by 3 V.S.A. § 479a.

3 * * *

4 Sec. 6. 16 V.S.A. § 1944b is amended to read:

5 § 1944b. RETIRED TEACHERS' HEALTH AND MEDICAL BENEFITS

6 FUND

7 * * *

8 (d) Interest earned shall remain in the Benefits Fund, and all balances
9 remaining at the end of a fiscal year shall be carried over to the following year;
10 ~~provided, however, that any amounts received in repayment of interfund loans~~
11 ~~established under subsection (e) of this section may be reinvested by the State~~
12 ~~Treasurer.~~

13 ~~(e)(1) Notwithstanding any provision to the contrary, the State Treasurer is~~
14 ~~authorized to use interfund loans from the General Fund for payment into the~~
15 ~~Benefits Fund, which monies shall be identified exclusively for the purposes of~~
16 ~~payments of retired teacher health and medical benefits pursuant to this~~
17 ~~section. Any monies borrowed through an interfund loan pursuant to this~~
18 ~~section shall be paid from monies in the Benefits Fund or from other funds~~
19 ~~legally available for this purpose. It is the intent of the General Assembly to~~
20 ~~appropriate sufficient General Fund revenue, after consideration of all other~~
21 ~~revenue and disbursements, such that the interfund loan shall be paid in full on~~

1 ~~or before June 30, 2023. The Governor shall include in the annual budget~~
2 ~~request an amount sufficient to repay any interfund borrowing according to a~~
3 ~~schedule developed by the State Treasurer. The State Treasurer shall pay the~~
4 ~~interest and principal as due in accordance with authority granted under 32~~
5 ~~V.S.A. § 902(b). The State Treasurer shall assess a rate of interest on the~~
6 ~~outstanding balance of the interfund loan comparable to the rate paid by~~
7 ~~private depositories of the State's monies, or to the yield available on~~
8 ~~investments made pursuant to 32 V.S.A. § 433. No interfund loans made~~
9 ~~under this authority shall, in the aggregate, exceed \$28,500,000.00.~~

10 (2) ~~For the purposes of this chapter, calculation of the interfund loan~~
11 ~~limit shall include long term receivables and payables but shall not include~~
12 ~~accruals for federal reimbursement of employer group waiver plan receivables~~
13 ~~pursuant to subdivision 1944b(b)(1) of this title, receivables due from local~~
14 ~~school systems pursuant to section 1944d of this title, or any short-term~~
15 ~~accruals. [Repealed.]~~

16 (f) ~~It is the intent of the General Assembly to appropriate the required~~
17 ~~contributions necessary to pay retired teacher health and medical benefits by~~
18 ~~combining annual increases in base appropriations, but not from the Education~~
19 ~~Fund, and surplus revenues as they become available, so that the full cost of~~
20 ~~retired teacher health and medical benefits payments shall be met in base~~
21 ~~appropriations by fiscal year 2023. To the extent that other revenue sources~~

1 ~~are identified, the General Fund obligation shall not be reduced, until all~~
2 ~~annual disbursements to repay the interfund loan in subsection (e) of this~~
3 ~~section are satisfied.~~ Contributions to the Benefits Fund shall be irrevocable
4 and it shall be impossible at any time prior to the satisfaction of all liabilities,
5 with respect to employees and their beneficiaries, for any part of the corpus or
6 income of the Benefits Fund to be used for, or diverted to, purposes other than
7 the payment of retiree postemployment benefits to members and their
8 beneficiaries and reasonable expenses of administering the Benefits Fund and
9 related benefit plans.

10 (g) ~~The Treasurer shall report on the status of the interfund loan balance~~
11 ~~allowed under this section as part of the annual budget presentation to the~~
12 ~~General Assembly.~~ [Repealed.]

13 Sec. 7. EFFECTIVE DATE

14 (a) This act shall take effect on passage.