

It is critical to get CRF money into the hands of Vermonters as quickly as possible. This process is an attempt to give you some guidance on approximately how much money your committee has to consider.

There are 2 targets given. The 1st block of money is for your top priority items that are the most critical and the most time-sensitive. Across all committees, this adds up to a total of \$575 million. This will become effective upon passage and be available for Vermonters as soon as possible.

The second block of money is a total of \$400 million. For your committee's purposes, this is for second tier priorities (or, if you choose, additional money for 1st priority projects). This will have to wait for available funds. Right now, this \$400M is being held back to be able to fill the holes in August in the Ed Fund (\$150M), General Fund (\$200M) and Transportation Funds (\$48M), in case the federal rules change to allow that. If the US Senate agrees to some version of the HEROES Act and more money becomes available for states while we are adjourned in July and August, the E-Board will be authorized to allocate these funds according to the legislation. Getting money out the door quickly is key to making sure it can help Vermonters before it expires Dec 31st. Be aware that as of my last conversation with the Administration, they will recommend spending all funds now while gambling with the large holes in the budgets in August.

The big picture:

\$275 million Already allocated: Joint Fiscal process, budget adjustment, transitional budget, municipal lending bill
\$400 million Being held to fill budget holes or for 2nd tier committee priorities
+ \$575 million For 1st tier committee priorities
\$1,250 million Total Coronavirus Relief Funds

For the Committee on Ways and Means your targets are:

1st tier priority appropriations: \$5 million

2nd tier priority appropriations: \$2 million

This amount does not include the \$150 million being set aside for the Education Fund. Please stay in communication with me. If you do not feel you need this full amount for items in your jurisdiction, it could be used by other committees.

These amounts allow you to get to work, but there are no promises. We may have to rebalance the committee target numbers as we move through the process. The goals we established at the outset of this shutdown were to protect the health of Vermonters, help meet the basic needs of Vermonters, and establish a path to a strong economic recovery, all with an eye towards how we could apply some of this money to put us in a better position in 2021 and beyond.

I've based these initial targets on a number of considerations including:

- our small group Chair conversations and the resulting follow ups about ideas;
- discussions with House and Senate money Chairs and their recommendation to hold back the amount of money needed to replace lost revenues in the EF, TF and GF should the feds change their mind by August, so we at least have that option;
- the priorities that we have expressed across party lines (housing, broadband, and childcare)

- the Administration's recommendations (both those released and not ready but hinted)
- an understanding from JFO and the staff CRF team about the allowed uses of the money and the tight timeline.

The distribution:

- The largest initial targets went to Health Care and Commerce
- The next largest went to General, Human Services, Education, and Energy and Technology
- Agriculture and Government Operations were next
- The following committees received the base amount of \$5 million each for the top priority ideas, and a similar amount for the 2nd tier priorities: Corrections & Institutions, Judiciary, Natural Resources, Transportation, Ways and Means

I repeat, these are iterative. They are targets so that you have a sense on what magnitude you are working with. If your committees come up with something very impactful outside your budget we can re-evaluate. On the other end of the spectrum, if your committee is struggling to find one-time, COVID related investments that can be completed by Dec 31 that fit the ever-narrowing federal parameters... it's totally fine to say "we have 3 projects spending \$1.7M and the rest should go to something more in line with current needs".

We'll talk more about this at Chairs, and as always, you know how to find me. This is our top priority at the moment and I will make myself available for you.

Thank you for your continued dedication to the people and state we serve,
Mitzi