

Sec. A. CORONAVIRUS RELIEF FUND; REALLOCATION; ALLOCATION OF
UNOBLIGATED MONIES; JOINT FISCAL COMMITTEE

(a) Purpose. As set forth in 2020 Acts and Resolves Nos. 120, 136, 137, and 138, unless otherwise authorized by the Commissioner of Finance and Management, any monies appropriated from the State’s Coronavirus Relief Fund (CRF) shall revert to the CRF to the extent they have not been expended by December 20, 2020 to enable reallocation. In addition, CRF monies appropriated during the 2020 legislative session that are no longer necessary because funds have been received for the same or a similar purpose from another source may revert to the CRF for reallocation. The purpose of this section is to establish processes for allocating previously unobligated CRF monies and for reallocating reverted CRF monies and any monies appropriated from the CRF that the Commissioner of Finance and Management identifies between the date of final legislative passage of the fiscal year 2021 budget bill and December 20, 2020 as being unable to be expended for their original purposes by December 30, 2020.

(b) Allocation and reallocation.

(1) The Commissioner of Finance and Management may allocate previously unobligated CRF monies, and reallocate reverted and unexpendable CRF monies, upon approval of the proposed allocation or reallocation by the Joint Fiscal Committee as set forth in this subsection.

(2) If the Commissioner of Finance and Management identifies reverted, unexpendable, or previously unobligated CRF monies, or a combination of these, that the Commissioner wishes to reallocate for a use other than that for which the CRF monies were originally appropriated, or that the Commissioner wishes to allocate, in the case of

previously unobligated CRF monies, the Commissioner shall inform the Joint Fiscal Committee of:

(A) the amount or amounts available for allocation or reallocation;

(B) the proposed use or uses of the monies; and

(C) the manner in which the proposed use or uses comply with the parameters set forth in Sec. 5001 of the CARES Act, Pub. L. No. 116-136 and related guidance.

(3) Criteria and priorities for approval.

(A) Compliance with CRF parameters. In determining whether to approve a proposal submitted by the Commissioner under this section, the Joint Fiscal Committee shall first determine whether each proposed use of CRF monies complies with the parameters set forth in Sec. 5001 of the CARES Act, Pub. L. No. 116-136 and related guidance. If the Committee determines that a proposed use likely does not comply with the parameters, the Committee shall disapprove that proposed use.

(B) Timeliness. If the Committee determines that a proposed use likely does comply with the CRF parameters, it shall next consider whether the proposed use is likely to be achievable by December 30, 2020. If the Committee determines that the proposed use is unlikely to be achieved by December 30, 2020, the Committee shall disapprove that proposed use.

(C) Priorities.

(i) If the Committee determines that a proposed use likely complies with CRF parameters and is likely achievable by December 30, 2020, then, in light of the uncertainty regarding the continued effects of the COVID-19 public health emergency,

the Committee shall evaluate the proposed use in the context of the areas of greatest need at the time of the proposal.

(ii) If the federal government allows the State to use CRF monies for purposes previously not permitted under Sec. 5001 of the CARES Act, Pub. L. No. 116-136 and related guidance, then, in addition to evaluating the proposed use in the context of the areas of greatest need, the Committee shall prioritize proposed uses related to revenue replacement for State government, local government, and the education finance system, and related to the funding of ongoing State financial liabilities.

(iii) If the federal government does not allow the State to use CRF monies for purposes previously not permitted under Sec. 5001 of the CARES Act, Pub. L. No. 116-136 and related guidance, then, in addition to evaluating the proposed use in the context of the areas of greatest need, the Committee may also evaluate the proposed use in the context of the following legislative priorities:

(I) services to vulnerable populations, such as nutrition services, housing security, and child care;

(II) health care;

(III) education;

(IV) economic stimulus for individuals and businesses; and

(V) broadband access.

(4) Joint Fiscal Committee process.

(A) Upon receipt of the information set forth in subdivision (2) of this subsection from the Commissioner of Finance and Management, the Joint Fiscal

Committee shall inform the General Assembly of the proposal and shall approve or disapprove each proposal within 10 calendar days following receipt.

(B) If the Joint Fiscal Committee disapproves a proposal, the Commissioner may revise and resubmit for further consideration. The Joint Fiscal Committee shall approve or disapprove within five calendar days following receipt of the revised proposal.

(c) Transfer authority. Nothing in this section shall be construed to limit the authority of the Emergency Board to transfer appropriations pursuant to 32 V.S.A. §§ 133 and 706.

(d) Final allocation and reallocation. On or after December 21, 2020, the Commissioner of Finance and Management may reallocate any unexpended CRF monies, and allocate any previously unobligated CRF monies, to the Department of Labor for reimbursement of claims expenditures made from the Department of Labor Unemployment Insurance Fund between March 1, 2020 and December 30, 2020.

Sec. B. CONTINGENCY PLANNING FOR INCREASED CRF FLEXIBILITY

(a) Purpose. The purpose of this section is to establish processes to be followed in the event that the federal government provides increased flexibility in authorized usage of the State's Coronavirus Relief Fund (CRF) monies the date of final legislative passage of the fiscal year 2021 budget bill and prior to the convening of the 2021 legislative session.

(b) Expanded uses. If the federal government allows the State to use CRF monies for purposes previously not permitted under Sec. 5001 of the CARES Act, Pub. L. No. 116-136 and related guidance, but does not extend the period during which the monies must be expended, the Commissioner of Finance and Management shall inform the Joint Fiscal Committee and may propose additional uses of the CRF, which may include using

previously unobligated CRF monies, previously allocated CRF monies that are unable to be expended by December 30, 2020, reverted CRF monies, or a combination of these, for Joint Fiscal Committee approval in accordance with the procedure set forth in Sec. A of this act, including considering the areas of greatest need and prioritizing the uses described in Sec. A(b)(3)(C)(ii).

(c) Extension of time. If the federal government allows the State to use CRF monies beyond the December 30, 2020 deadline established in Sec. 5001 of the CARES Act, Pub. L. No. 116-136, the Commissioner of Finance and Management shall notify the Joint Fiscal Committee of the extension.

(1) If the Joint Fiscal Committee, in consultation with the Commissioner, determines that the extension would allow for the full General Assembly to consider additional uses of CRF monies as part of the fiscal year 2021 budget adjustment process, the Joint Fiscal Committee shall limit its approval of allocations and reallocations pursuant to Sec. A of this act to those for which prompt action is required and that cannot wait for the fiscal year 2021 budget adjustment process.

(2) If the Joint Fiscal Committee, in consultation with the Commissioner, determines that the extension would not allow for the full General Assembly to consider additional uses of CRF monies as part of the fiscal year 2021 budget adjustment process, the Joint Fiscal Committee shall consider the Commissioner's proposals in accordance with the procedure set forth in Sec. A of this act.

(3) In the event of an extension of time to use CRF monies, the final allocation and reallocation to the Department of Labor pursuant to Sec. A(d) of this act shall not occur without the approval of the Joint Fiscal Committee.

Sec. C. CONTINGENCY PLANNING FOR ADDITIONAL FEDERAL FUNDING

(a) The purpose of this section is to establish processes to be followed in the event that the federal government provides additional funds to the State of Vermont related to the COVID-19 public health emergency following the date of final legislative passage of the fiscal year 2021 budget bill but prior to the convening of the 2021 legislative session.

(b) If the federal government provides additional Coronavirus Relief Fund (CRF) grant monies to Vermont following the date of final legislative passage of the fiscal year 2021 budget bill but prior to the convening of the 2021 legislative session, the monies shall be subject to the CRF acceptance conditions adopted by the Joint Fiscal Committee, as may be amended.

(c)(1) If the federal government provides an increase of \$10,000,000.00 or more to an existing federal grant other than the CRF grant following the date of final legislative passage of the fiscal year 2021 budget bill but prior to the convening of the 2021 legislative session, the Secretary of Administration shall notify the Joint Fiscal Committee and the General Assembly of the grant award prior to exercising excess receipts authority.

(2) If the federal government provides an increase of less than \$10,000,000.00 to an existing federal grant other than the CRF grant following the date of final legislative passage of the fiscal year 2021 budget bill but prior to the convening of the 2021 legislative session, the Secretary of Administration may exercise excess receipts authority without notice to the Joint Fiscal Committee or the General Assembly.

(d) Any new federal grants received following the date of final legislative passage of the fiscal year 2021 budget bill but prior to the convening of the 2021 legislative session

shall proceed through the usual grant acceptance process in accordance with 32 V.S.A.

§ 5.