

- PRELIMINARY WORKING DRAFT -

6/2/2020 at 1:45 PM

(H.XXX)

Introduced by Committee on Appropriations

Date:

Subject: Phase I fiscal year 2021; first quarter appropriations, federal Coronavirus Relief Fund (CRF) pandemic necessitated appropriations, pay act appropriations, and other fiscal requirements for the first part of the fiscal year.

Statement of purpose of bill as introduced: Due to the Coronavirus/COVID-19 pandemic, this bill provides a transitional budget establishing appropriations for the first quarter of fiscal year 2021. This bill also contains federal Coronavirus Relief Fund (CRF) appropriations necessitated by the pandemic, pay act appropriations, and other fiscal requirements for the first part of the fiscal year.

An act relating to making first quarter fiscal year 2021 appropriations for the support of State government, federal Coronavirus Relief Fund (CRF) appropriations, pay act appropriations, and other fiscal requirements for the first part of the fiscal year.

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

* * * Transitional Fiscal Year 2021 First Quarter Appropriations * * *

Sec. A.1. INTENT

(a) Intent: Due to the Coronavirus/COVID-19 pandemic, revenue into the State's major funds are forecast to be significantly reduced. At the time of the passage of this act, the full degree of this impact remains undefined. In addition, it is unclear if there will be changes in guidance concerning the use of current federal relief funding or if additional federal funding will be made available to the State. The intent of this transitional budget bill is to provide spending authority for the state to operate in the first quarter of fiscal year 2021 to meet statutory requirements while at the same time recognizing the need to address the longer term issues raised by the expected substantial reduction in State revenues in fiscal year 2021 and beyond.

(b) It is the intent of the legislature to develop the full fiscal year budget in August and September of 2020, after the establishment of new official State revenue forecasts for fiscal years 2021 and 2022.

Sec. A.2. FISCAL CAPACITY

(a) Fiscal Capacity: The Secretary of Administration is authorized to establish fiscal capacity to the greatest extent possible in the first quarter of fiscal year 2021 through the following mechanisms:

(1) A non-essential position hiring freeze: From July 1, through September 30, 2020, the Secretary of Administration shall not authorize positions to be filled unless a determination is made that filling the position is critical for state operation or pandemic response. The Secretary shall notify the Legislative Joint Fiscal Committee of any approved hiring that takes place during this period. Notwithstanding Title 3 V.S.A. § 327(b) and Title 3 V.S.A.

Ch. 45, § 2222(i), vacant positions shall not be swept to the position pool before September 30, 2020 unless authorized by the Joint Fiscal Committee.

(2) Available fund balances: Fund balances at the close of fiscal year 2020 and fund capacity projected to be available in fiscal year 2021 as result of collection of receipts deferred receipts from fiscal year 2020.

(3) Carryforward appropriation balances: Appropriation balances that are carried forward from fiscal year 2020.

(4) Available federal funds: Utilization of Federal Medical Assistance Percentage rate changes and federal funding streams related to Coronavirus/COVID-19 response and relief available for existing programs including administrative allowances.

(b) The Administration shall not make changes to policies or program structure prior to the development and approval of the full 2021 budget unless such changes are submitted to and approved by the Joint Fiscal Committee. Any such approval shall be after soliciting input from relevant legislative policy committees.

(c) In their presentation of recommendations for the full fiscal year 2021 budget in August and September 2020, agencies and departments shall report on any portion of the fiscal capacity achieved and authorized by this section.

Sec. A.3. PHASE I -DIRECT APPROPRIATIONS FISCAL YEAR 2021

FIRST QUARTER

(a) The following appropriations of are made for the first quarter of fiscal year 2021 as follows:

(1) The Vermont Veterans' Home: \$598,000 General Fund.

(2) State Teachers' Retirement System: \$119,013,146 General Fund and \$6,881,055 Education Fund. This fully funds the fiscal year 2021 obligation.

(3) Retired Teachers' Health Care and Medical Benefits: \$31,798,734 General Fund. This fully funds the fiscal year 2021 obligation.

(4) State Treasurer Unclaimed Property: \$1,134,819 Private Purpose Trust Funds.

(5) Debt Service: \$75,828,995 General Fund, \$540,918 Transportation Fund, \$504,738 ARRA Fund, and \$2,502,613 TIB Debt Service Fund. This fully funds the fiscal year 2021 obligation.

(6) State Teachers' Retirement System Administration: \$5,929,795 Pension Trust Fund.

(7) Vermont State Retirement System: \$5,672,641 of Pension Trust Fund.

(8) Municipal Employees' Retirement System: \$2,598,919 of Pension Trust Fund.

(9) Military's divisions will be appropriated General Fund as follows:

(A) Military Administration: \$1,368,238.

(B) Military Air Service Contract: \$210,693.

(C) Military Building Maintenance: \$589,662.

(D) Military Veterans' Affairs: \$217,257.

(b) In fiscal year 2021, there is appropriated General Funds to the Vermont State College System for one-time bridge funding to allow system restructuring to be implemented for the 2021/2022 academic year: \$5,000,000.

Sec. A.4. PHASE I -PRORATED APPROPRIATIONS FISCAL YEAR

2021 FIRST QUARTER

(a) For all appropriations units that are not listed in Sec. A.3 of this act, and were enacted pursuant to 2019 Acts and Resolves No. 72, Sections B.100 through B.1001, as amended by 2020 Acts and Resolves No. 88, the following prorations shall apply to establish the Phase I, interim appropriations for the operations of State government for the period beginning July 1, 2020 and ending September 30, 2020:

(1) All funds in the Agency of Natural Resources except the General Fund: 50%.

(2) All funds in the Agency of Transportation: 60%:

(A) With the exception of the Clean Water Fund prorated at 50% pursuant to subsection (6)(B) of this section.

(3) Vermont Student Assistance Corporation: 50%.

(4) Vermont State Colleges: 25%:

(A) These funds are to be distributed in July 2020.

(5) Vermont Housing and Conservation Board: 40%.

(6) Payments in Lieu of Taxes: 100%

(7) Clean Water Fund and Agricultural Water Quality Special Fund appropriations shall be prorated:

(A) Agency of Natural Resources: 50%.

(B) Agency of Transportation: 50%.

(C) Agency of Agriculture, Food and Markets: 50% .

(D) Agency of Commerce and Community Development: 50%.

(E) Agency of Administration: 50%.

(8) All other appropriations:

(A) 25% of General Fund appropriations.

(B) 40% of all Education Fund appropriations.

(C) 25% of all remaining appropriations by fund.

Sec. A.5. EMERGENCY BOARD AUTHORIZATION

(a) Between July 1 and September 30, 2020, pursuant to the conditions set forth in 32 V.S.A. § 133(b), and in addition to the authority to transfer appropriations pursuant to 32 V.S.A. § 133(b), the Emergency Board is authorized to make expenditures from the General Fund or from any reserve within the General Fund pursuant to its authority under 32 V.S.A. § 133(a) or from other funds of the State. The appropriations in this section shall not exceed one percent of the total appropriations authorized in any fund by this act. This authority is to address any unforeseen spending requirements related to the COVID-19 pandemic.

Sec. A.6. RESCISSION AUTHORITY LIMITATION

(a) The provisions of 32 V.S.A. § 704 shall not apply between July 1, 2020 and September 30, 2020.

* * * BUDGETARY SPECIFICATIONS AND AMENDMENTS * * *

(Secs. A.7 through A.30, apply to the appropriations established for the first quarter of fiscal year 2021 in Sec. 3 and Sec. 4 of this act which references the 2019 Acts and Resolves No. 72, Sections B.100 through B.1001, as amended by 2020 Acts and Resolves No. 88 unless otherwise stated.)

* * * GENERAL GOVERNMENT * * *

Sec. A.7. 2014 Acts and Resolves No. 179, Sec. E.100(d), as amended by 2015 Acts and Resolves No. 4, Sec. 74, by 2016 Acts and Resolves No. 172, Sec.E.100.2, by 2017 Acts and Resolves No. 85, Sec. E.100.1, and by 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.100.1 is further amended to read:

(d) Position Pilot Program. A Position Pilot is hereby created to assist participating departments in more effectively managing costs of overtime, compensatory time, temporary employees, and contractual work by removing the position cap with the goal of maximizing resources to the greatest benefit of Vermont taxpayers.

* * *

(7) This Pilot shall sunset on ~~July 1~~ September 30, 2020, unless extended or modified by the General Assembly.

Sec. A.8. 2017 Acts and Resolves No. 79, Sec. 13 is amended to read:

Sec. 13. STATE ETHICS COMMISSION FUNDING SOURCE

SURCHARGE; REPEAL

(a) Surcharge

* * *

(2) The amount collected shall be accounted for within the Human Resource Services Internal Service Fund and used solely for the purposes of funding the activities of the State Ethics Commission set forth in Sec. 7 of this act.

(b) Repeal. This section shall be repealed on ~~June 30, 2020~~ June 30, 2021.

Sec. A.9. [RESERVED]

Sec. A.10. Vermont state retirement system

(a) Notwithstanding 3 V.S.A. § 473(d), in fiscal year 2021, investment fees shall be paid from the corpus of the Fund.

Sec. A.11. Payments in lieu of taxes

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

Sec. A.12. Payments in lieu of taxes – Montpelier

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

Sec. A.13. Payments in lieu of taxes – correctional facilities

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

* * * PROTECTION TO PERSONS AND PROPERTY * * *

Sec. A.14. Attorney general

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

Sec. A.15. Public safety – administration

(a) The Commissioner of Public Safety is authorized to enter into a performance-based contract with the Essex County Sheriff's Department to provide law enforcement service activities agreed upon by both the Commissioner of Public Safety and the Sheriff.

Sec. A.16. Public safety – fire safety

(a) Of this General Fund appropriation, \$13,750 shall be granted to the Vermont Rural Fire Protection Task Force for the purpose of designing dry hydrants.

Sec. A.17. Military – Administration

(a) The amount of \$1,026,105 shall be disbursed to the Vermont Student Assistance Corporation for the National Guard Educational Assistance program established in 16 V.S.A. § 2856 and the National Guard Tuition Benefit Program established in 16 V.S.A. § 2857.

Sec. A.18. LEGISLATIVE APPROVAL OF MILITARY SECURITY

GUARD CLASS ACTION

(a) Pursuant to Article 16 (3)(f) of the Collective Bargaining Agreement in effect for fiscal year 2020, the Legislature approves for the Department of the Military:

(1) The spending of federal funds in fiscal year 2020 estimated to be \$87,453 to fund the reclassification of thirty (30) Security Guard positions representing a financial impact greater than one percent (1%).

* * * HUMAN SERVICES * * *

Sec. A.19. VERMONT HEALTH BENEFIT EXCHANGE RULES

(a) The Agency of Human Services may adopt rules pursuant to 3 V.S.A. chapter 25 to conform Vermont's rules regarding health care eligibility and enrollment and the operation of the Vermont Health Benefit Exchange to state and federal law and guidance. The Agency may use the emergency rules process pursuant to 3 V.S.A. § 844 prior to June 30, 2021, but only in the event that new state or federal law or guidance require Vermont to amend or adopt its rules in a time frame that cannot be accomplished under the traditional rulemaking process. An emergency rule adopted under these exigent circumstances shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

Sec. A.20. 2019 Acts and Resolves No. 72, Sec. C.100 is amended to read:

Sec. C.100 FISCAL YEAR 2019 ONE-TIME APPROPRIATIONS

(a) In fiscal year 2019, funds are appropriated from the General Fund and shall be carried forward as follows:

* * *

(19) To the Department for Children and Families, Woodside Rehabilitation Center: \$260,000 for costs associated with ~~transitioning from a treatment facility to a detention facility~~ providing additional clinical support and training.

* * *

Sec. A.21. Corrections - correctional services

(a) The special funds appropriation of \$152,000 for the supplemental facility payments to Newport and Springfield, pursuant to Sec. A.4 of this act, shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

* * * K-12 EDUCATION * * *

Sec.A.22. 2019 Acts and Resolves No. 72, Sec. E.504.2 is amended to read:

Sec. E.504.2 Education – flexible pathways

(a) Of this appropriation, ~~\$3,026,500~~ \$3,916,000 from the Education Fund shall be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 943(c). Notwithstanding 16 V.S.A. § 4025(b), of this Education Fund appropriation, the amount of:

* * *

Sec. A.23. State teachers' retirement system

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the State Teachers' Retirement System (STRS) shall be \$132,141,701 of which \$125,894,201 shall be the State's contribution and \$6,247,500 shall be

contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$7,213,271 is the “normal contribution,” and \$124,928,430 is the “accrued liability contribution.”

Sec.A.24. PREFUNDING OF THE TEACHERS’ HEALTH CARE AND
MEDICAL BENEFITS FUND

(a) Of the amount appropriated in Sec. A.3 of this act, \$2,400,000 is intended to pre-fund Retired Teachers’ Health Care and Medical Benefits at the earliest possible date.

* * * HIGHER EDUCATION * * *

Sec. A.25. University of Vermont

(a) The Commissioner of Finance and Management shall issue warrants to pay monthly installments of the appropriation in Sec. A.4. of this act to the University of Vermont on or about the 15th day of each calendar month during the first quarter of the year.

* * * NATURAL RESOURCES * * *

Sec. A.26. 2019 Act 72 Sec. E.711.1 is amended as follows:

Sec. E.711.1 BENNINGTON WATER LINE EXTENSION

(a) Waiver of bond vote. The Town of Bennington shall receive a loan for the Operational Unit C / Chapel Road Project in an amount of up to ~~\$1,500,000~~ \$2,000,000 to receive a loan subsidy in the form of 100 percent principal forgiveness with no interest or administrative fee from funds authorized in 24

V.S.A § 4753(a)(3). Notwithstanding the provisions of 24 V.S.A.

§ 4755(a)(3), the loan is not required to be evidenced by a municipal bond.

* * *

* * * TRANSPORTATION * * *

Sec. A.27. Transportation – central garage

(a) This appropriation is authorized pursuant to Sec. A.4 of this act, notwithstanding the provisions of 19 V.S.A. § 13(c)(2).

Sec. A.28. Transportation – town highway structures

(a) This appropriation is authorized pursuant to Sec. A.4 of this act, notwithstanding the provisions of 19 V.S.A. § 306(e).

Sec. A.29. Transportation – town highway class 2 roadway

(a) This appropriation is authorized pursuant to Sec. A.4 of this act, notwithstanding the provisions of 19 V.S.A. § 306(h).

Sec. A.30. Transportation – town highway aid program

(a) This appropriation is authorized pursuant to Sec. A.4 of this act, notwithstanding the provisions of 19 V.S.A. § 306(a).

* * * COVID-19 EXPENDITURES * * *

Sec. A.31. CORONAVIRUS RELIEF FUND (CRF) – GRANT RECIPIENT REQUIREMENTS AND REVERSION AND REALLOCATION SCHEDULE

(a) All appropriations of the Coronavirus Relief Fund (CRF) in this and other bills passed after March 1, 2020 are made with the knowledge that the statutory and regulatory context is constantly changing. Additional federal

bills further change the potential and appropriateness for fund usage. Due to these changes:

(1) Fund appropriations are subject to changes in source of funds which could occur in subsequent bills or through administrative actions where permissible under law;

(2) Specific fund uses may change as statutory changes or guidance becomes clearer;

(3) It is the responsibility of all receiving entities to ensure compliance with all guidelines as to spending and use and to keep records that justify the spending choices made.

(4) Unless otherwise authorized by the Commissioner of Finance and Management, any funds appropriated shall revert to the CRF to the extent that they have not been expended by December 20, 2020 to enable reallocation.

Sec. A.32. ONE-TIME CORONAVIRUS RELIEF FUND (CRF)

APPROPRIATIONS

(a) The following appropriations are authorized on a one-time basis in fiscal year 2021 from the Coronavirus Relief Fund (CRF) established under the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act to address necessary expenditures with respect to the Coronavirus Disease 2019 (COVID-19) public health emergency. These expenditures were not accounted for in the State budget most recently approved as of March 27, 2020 and were incurred during the period that began on March 1, 2020, in accordance with the

Department of Treasury's May 28, 2020 interpretation of limitations on the permissible use of fund payments.

(1) Legislature: \$2,000,000 is appropriated to the Legislature for costs incurred for an estimated 6-week extension of the 2020 session in fiscal year 2021 (August and September 2020) due to the response to the Coronavirus pandemic this extension to legislative work may be remote or partially remote.

(2) The Vermont State Colleges (VSC): \$15,258,000 is granted to the VSC for impacts and business disruption due to the COVID-19 pandemic.

(3) The University of Vermont (UVM): \$15,355,000 is granted to UVM for impacts and business disruption due to the COVID-19 pandemic.

(4) The Vermont Student Assistance Corporation (VSAC): \$5,000,000 is granted to VSAC for impacts due to the COVID-19 pandemic.

(5) State's Attorneys: \$1,977,000 is appropriated to the Department of State's Attorneys for costs incurred or anticipated to be incurred in response to the pandemic.

(6) Defender General: \$753,000 is appropriated to the Defender General for costs incurred or anticipated to be incurred in response to the pandemic.

(7) Vermont Center for Crime Victim Services: \$502,500 is appropriated to Center for Crime Victim Services for costs incurred or anticipated to be incurred in response to the pandemic.

(8) Judiciary: \$2,608,500 is appropriated to the Judiciary for costs incurred in response to the pandemic.

(9) Agency of Human Services: \$150,000 is appropriated to the Agency of Human Services to be granted to Vermont Legal Aid for increased costs of providing access to justice services in response to the pandemic.

(10) Auditor: \$100,000 is appropriated to the State Auditor for the costs to be incurred in response to COVID-19 funding. The Auditor is authorized to fill two vacant positions.

(11) Secretary of State: \$2,000,000 is appropriated to the Secretary of State for developing and implementing the Vermont Business Portal to provide digital access for Vermont based businesses to at least four State agencies.

(12) Department of Disabilities, Aging and Independent Living (DAIL): \$100,000 is appropriated to DAIL to be granted to the Blind and Visually Impaired for a technology training program (iPad and iPhone training) for older Vermonters who experience decreased vision and blindness and others who are blind or visually impaired to address social isolation resulting from social distancing.

(13) Working Lands: \$1,000,000 is appropriated to the Agency of Agriculture, Food and Markets for the COVID-19 Working Lands program for eligible pandemic response proposals from agriculture food and markets participants.

(14) Department of Forests, Parks and Recreation: \$500,000 is appropriated to the Department of Forests, Parks and Recreation to make payments to refund cancellations of state parks reservations that were paid in advance.

Sec. A.33. H.953 (Supplemental Budget Adjustment) of 2020 is amended by striking out Sec. 36(a)(7) in its entirety and insert in lieu thereof a new (a)(7) to read as follows:

(7) The Agency of Human Services (AHS) for Emergency Medical/Ambulance Services: \$3,000,000 is appropriated to AHS for Emergency Medical/Ambulance Services costs and financial assistance during the COVID-19 pandemic, which shall be allocated as follows:

(A)(i) \$400,000 for the necessary training and support of emergency medical personnel, including volunteers, which shall be transferred to the Department of Health for disbursement. In order to address the needs of Vermonters as a result of the COVID-19 pandemic, the Department, in consultation with the Emergency Medical Services Advisory Committee, shall use the monies expeditiously to provide funding for live and online training opportunities for emergency medical responders, emergency medical technicians, and advanced emergency medical technicians, and for other emergency medical personnel training-related purposes. The Department and the Advisory Committee shall prioritize training opportunities for volunteer emergency medical personnel to maximize the response capabilities of all areas in the State.

(B) \$500,000 for paramedic training, including paramedic certificate programs for prospective paramedics and continuing education opportunities for licensed paramedics, and recruitment. These funds shall be transferred to the Department of Health for disbursement.

(i) Funding under this subdivision (7)(B) shall be prioritized for training through a Vermont programs that include clinical and field internship work to be completed prior to December 30, 2020.

(ii) The Department may collaborate with the Vermont Student Assistance Corporation, or similar entity, to disburse funding to approved paramedic training programs, to qualified applicants seeking a paramedic certificate, and to licensed paramedics pursuing continuing education opportunities.

(iii) The Department may allocate funds for recruitment of qualified paramedics to meet the needs of emergency medical service (EMS) and ambulance service providers in the State and ensure that emergency patient care and transportation services are available to Vermonters in all parts of the State. Such costs may include reimbursement for relocation, short term housing stipends pending relocation, reimbursement for costs associated with Vermont licensure, and other allowed costs.

(C) \$100,000 for AHS in coordination with the Department of Financial Regulation (DFR) to engage through sole source contract one or more financial consultants to assist Vermont EMS and ambulance service providers with applications needed for federal provider relief funds related to coronavirus funding; State prospective payments related to coronavirus through the Agency of Human Services and the Department of Vermont Health Access; and other grant funding that may be available in response to the pandemic.

(D) \$2,000,000, of which five percent shall be reserved for extraordinary financial relief to Vermont EMS and ambulance service providers upon demonstrated need, and the remainder of which may be used to make EMS and ambulance service provider stabilization grants in a manner determined by AHS that recognizes the need for administrative simplicity and is proportionate to EMS and ambulance service provider organization size.

(E) On or before January 15, 2021, AHS and the Department of Health shall report to the House Committees on Appropriations, on Health Care, and on Government Operations and the Senate Committees on Appropriations, on Health and Welfare, and on Government Operations with an accounting of its use of the funds appropriated to AHS for disbursement by the Department pursuant to this subsection.

* * * DEFINITIONS; OTHER LEGAL OR BUDETARY CONTEXT * * *

Sec. A.34. APPROPRIATIONS DEFAULT AND TIMING LIMITATIONS

(a) If in this act there is an error in either addition or subtraction, the totals shall be adjusted accordingly. Apparent errors in referring to section numbers of statutory titles within this act may be disregarded by the Commissioner of Finance and Management.

(b) Unless codified or otherwise specified, all narrative portions of this act apply only to the first quarter of the fiscal year ending on September 30, 2021.

Sec. A.35. DEFINITIONS

(a) As used in this act:

(1) “Encumbrances” means a portion of an appropriation reserved for the subsequent payment of existing purchase orders or contracts. The Commissioner of Finance and Management shall make final decisions on the appropriateness of encumbrances.

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

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

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

Sec. A.36. RELATIONSHIP TO EXISTING LAWS

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

Sec. A.37. OFFSETTING APPROPRIATIONS

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

Sec. A.38. FEDERAL FUNDS

(a) In the first quarter of fiscal year 2021, the Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may accept federal funds available to the State of Vermont, including block grants in lieu of or in addition to funds herein designated as federal. The Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may allocate all or any portion of such federal funds for any purpose consistent with the purposes for which the basic appropriations in this act have been made.

(b) If, during the first quarter of fiscal year 2021, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2020 session of the Vermont General Assembly are converted into block grants or are abolished under their current title in federal law and reestablished under a new title in federal law, the Governor may continue to accept such federal funds for any purpose consistent with the purposes for which the federal funds were appropriated. The Governor may spend such funds for such purposes for no more than 45 days prior to Legislative or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor's request for approval.

Sec. A.39. NEW POSITIONS

(a) Notwithstanding any other provision of law, the total number of authorized State positions, both classified and exempt, excluding temporary

positions as defined in 3 V.S.A. § 311(11), shall not be increased during the first quarter of fiscal year 2021. Limited service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction.

* * * EFFECTIVE DATES Secs. A.1 – A.40* * *

Sec. A. 40. EFFECTIVE DATES

(a) This section, and Secs. A.7 (pilot position sunset extension), A.8 (sunset extension), A.18 (military reclassification), A.20 (repurposing one-time appropriation), A.22 (education fund appropriation technical correction), and A.26 (Bennington waterline loan subsidy increase) shall take effect upon passage.

(b) All remaining A sections shall take effect on July 1, 2020.

* * * Pay Act * * *

Sec. B.1. Sec. B. 1. PAY ACT APPROPRIATIONS

(a) Executive Branch. The two-year agreements between the State of Vermont and the Vermont State Employees' Association for the Defender General, nonmanagement, supervisory, and corrections bargaining units for the period of July 1, 2020 through June 30, 2022; the collective bargaining agreement with the Vermont Troopers' Association for the period of July 1, 2020 through June 30, 2022; and salary increases for employees in the Executive Branch not covered by the bargaining agreements shall be funded. In fiscal year 2021 the following is appropriated to the Secretary of Administration:

(1) General Fund. \$11,731,745.

(2) Transportation Fund. \$4,128,000.

(3) Other funds: The Administration shall provide additional spending authority to departments through the existing process of excess receipts to fund the fiscal year 2021 collective bargaining agreements.

(4) Transfers. With due regard to the possible availability of other funds, for fiscal year 2021, the Secretary of Administration may transfer from the various appropriations and various funds and from the receipts of the Liquor Control Board such sums as the Secretary may determine to be necessary to carry out the requirements of these agreements to the various agencies supported by State funds.

(b) Judicial Branch: The two-year agreements between the State of Vermont and the Vermont State Employees' Association for the judicial bargaining unit for the period of July 1, 2020 through June 30, 2022 and salary increases for employees in the Judicial Branch not covered by the bargaining agreements shall be funded. In fiscal year 2021, appropriated to the Judiciary from the General Fund: \$872,330.

(c) Legislative Branch. For the period of July 1, 2020 through June 30, 2021, the General Assembly shall be funded as follows in fiscal year 2021. In fiscal year 2021 there is appropriated to the Legislature from the General Fund: \$241,000.

* * * EFFECTIVE DATE Sec. B.1. * * *

Sec. B.2. EFFECTVE DATE

(a) Sec. B.1. shall take effect on July, 1, 2020.