



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Legislative Management Committee
From: Daniel Dickerson, Joint Fiscal Office
Cc: Legislative Branch Department Heads
Date: February 9, 2021
Subject: FY22 Legislative Branch Budgets

2 V.S.A. §42(a)(1), as established in Act 144, 2020, states that the Joint Legislative Management Committee shall: *“prepare a proposed budget for the Legislative Branch that includes a budget for each legislative office.”*

This memo, and the attached budget numbers, represents the overall legislative branch budget for FY2022 that has been prepared by the Joint Fiscal Office, in collaboration with legislative branch departments. Budget numbers are shown below.

FY 21 Legislative Branch Budget	<u>\$16,344,030</u>
Cost Drivers – maintain base services	\$382,677 (covered in Gov. budget)
Cost Drivers – 3 new positions	\$295,000 (not covered in Gov. budget)
FY 22 Legislative Branch Budget	<u>\$17,021,707</u>
Dollar change (FY21 to FY22)	\$677,677
Percent change (FY21 to FY22)	+4.1%
Proposed FY22 Reversions	(\$675,000)
Percent change after reversions	0.001%

The FY22 legislative budgets reflect modest base service growth. In order to maintain base services, an additional \$382,677 is being requested above FY21 budget levels, a growth rate of 2.3%. However, the budget includes new positions in order to meet growing service demands within three legislative departments and these are explained below. The Governor’s proposed budget for the legislative branch includes funding to cover base service growth but does not fully fund the new positions, nor does the Governor’s proposed big bill include authorizing language for the new positions.

Overall, with the positions included, legislative branch budget growth would be at 4.1%. In order to reduce demands on a revenue-challenged General Fund, the legislative branch budget package proposes a \$675,000 reversion to cover most new budget growth in FY22.

Budget Pressures:

1. **One-Time FY21 budget cuts:** The pandemic, and ensuing economic impacts, began prior to passage of an FY21 state budget. Agencies and departments throughout state government, including the legislative branch, submitted revised FY21 appropriation requests with cuts from what had previously been requested. Within the legislative branch, expense reductions will cover some of the lower appropriations, but several offices needed to use one-time money to fill budget gaps in FY21 and request funding in FY22 to restore budgets to a more sustainable level.
2. **Pay Act:** Most legislative staff received 1.9% salary increases in July 2020. These increases have been included in the FY22 budget requests as increases needed to maintain base services. Taken alone, the pay act funding need represents a quarter of branch-wide budget growth from FY21 to FY22.
3. **New Initiatives:** New positions are being requested for three legislative departments. Taken alone, the funding needed for the three positions represents almost half of the branch-wide budget growth from FY21 to FY22. The positions and their cost including all benefits are explained below:
 - a. *Paralegal (\$83,000)* – Legislative Counsel is requesting a permanent, full-time paralegal to assist with public records requests, policy research, statutory revision, and other duties. Unlike most legal organizations and offices, Legislative Counsel has no paralegals or other legal support staff. Adding a paralegal to assist the attorneys will help alleviate the increasing work load in these areas and provide necessary support services.
 - b. *Web Developer (\$132,000)* – Legislative Information Technology is requesting an additional permanent, full-time position to assist in maintaining and developing legislative web sites, databases, and supporting infrastructure. The legislature has moved swiftly to a greater reliance on technology, which has put pressure on a department that was already stretched. The position will allow them to strengthen the capacity to address the increased workload and provide uninterrupted customer support.
 - c. *Capitol Police Officer (\$80,000)* – The Sgt. At Arms and the Chief of Capitol Police are requesting a new police officer to provide additional security coverage within the Statehouse and other spaces occupied by legislators and staff. This would bring the Capitol Police force from 4.0 FTE to 5.0 FTE.

Reversions:

The legislative branch budget package includes proposed reversions from departments that sum up to a total of \$675,000. This total will cover almost all legislative budget increases in FY22.

After adjusting for the reversions proposed above, legislative branch departments continue to hold significant prior-year carry-forward balances in reserve for additional pandemic-related support or for other legislative initiatives.

Legislative Branch budget – department breakdown

	FY21	FY22	Change	Change
Department	Appropriation	Request	\$	%
Legislature	\$8,691,089	\$8,801,637	\$110,548	1.3%
Legislative Counsel	\$3,187,533	\$3,390,895	\$203,362	6.4%
Legislative IT	\$1,419,819	\$1,582,574	\$162,755	11.5%
Joint Fiscal Office	\$2,093,770	\$2,187,918	\$94,148	4.5%
Sgt. At Arms	\$951,819	\$1,058,683	\$106,864	11.2%
Total	\$16,344,030	\$17,021,707	\$677,677	4.1%

Note: The Legislature budget includes funding for the General Assembly, House Clerk, Senate Secretary, Leadership positions, Office of Legislative Operations, and the incoming HR Director.