



State of Vermont
Agency of Administration
Department of Finance & Management
Pavilion Office Building
109 State Street, 5th Floor
Montpelier, VT 05609-0201
www.aoa.vermont.gov

[phone] 802-828-2376
[fax] 802-828-2428

Adam Greshin, Commissioner

January 24, 2020

The Honorable Jane Kitchel
Chair, Senate Committee on Appropriations
Vermont State House
Montpelier, VT 05609

Dear Senator Kitchel:

I write with respect to H.760, *An Act Relating to Fiscal Year 2020 Budget Adjustments*, (BAA), as passed by the House on January 23, 2019. Only one necessary technical change is required. Please consider the following suggestions:

Sec. 63 should be struck entirely and in its place inserted the Governor's Recommended language as follows:

2019 Acts and Resolves No. 83, Sec. 15 is repealed:

~~Sec. 26a. TRANSFER FROM CEDF TO GENERAL FUND; TAX EXPENDITURE; ADVANCED WOOD BOILERS~~

~~(a) Beginning on July 1, 2018, the Clean Energy Development Fund quarterly shall calculate the forgone sales tax on advanced wood fired boilers resulting from the sales tax exemption under 32 V.S.A. § 9741(52) for advanced wood boilers. Beginning on October 1, 2018, the Clean Energy Development Fund shall notify the Department of Taxes of the amount of sales tax forgone in the preceding calendar quarter resulting from the sales tax exemption under 32 V.S.A. § 9741(52) for advanced wood boilers.~~

~~(b) In fiscal years 2019 and 2020, the Clean Energy Development Fund shall transfer from the Clean Energy Development Fund to the General Fund the amount of the tax expenditure resulting from the sales tax exemption under 32 V.S.A. § 9741(52) on advanced wood boilers up to a maximum of \$200,000.00 for both fiscal years combined. The Department of Taxes shall deposit 64 percent 100 percent of the monies transferred from the Clean Energy Development Fund into the General Fund under 32 V.S.A. § 435 and 36 percent of the monies in the Education Fund under 16 V.S.A. § 4025. [REPEALED]~~

Please consider the following sequence of events:

- Effective April 22, 2019, the fiscal year 2019 BAA (2019 Acts and Resolves No. 6, Sec. 82) amended 2018 Acts and Resolves No. 194, Sec. 26a(b), reflecting word-for-word the language currently included in H. 760.

- Effective June 20, 2019, Act 83 also included language to amend 2018 Acts and Resolves No. 194, Sec. 26a(b). However, at the time that Act 83 became law, the proposed change to 2018 Acts and Resolves No. 194, Sec. 26a(b) was moot due to the effective date of Act 6 which amended the same language.
- Therefore, by accepting the Governor's Recommended language as originally presented, the contradictory section of Act 83 is repealed and allows the intended language of Act 6 to stand.

Sincerely,



Adam Greshin
Commissioner, Department of
Finance and Management

cc: Catherine Toll, Chair, House Committee on Appropriations
Stephen Klein, Chief Fiscal Officer, Joint Fiscal Office
Stephanie Barrett, Associate Fiscal Officer, Joint Fiscal Office
Maria Belliveau, Associate Fiscal Officer, Joint Fiscal Office
Matt Riven, Deputy Commissioner, Department of Finance and Management
Richard Donahey, Director, Budget and Management Operations