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Adam Greshin, Commissioner

To: Rep. Kitty Toll, Chairperson, House Committee on Appropriations
 CC: Senator Jane Kitchel, Chairperson, Senate Committee on Appropriations
 From: Adam Greshin, Commissioner of Finance and Management
 Date: 2/4/2020
 Re: Technical and Policy Observations of H.760

Upon review of H.760, "An act relating to fiscal year 2020 budget adjustments", as amended by the Senate, I ask that the following points be considered:

1. Sec. 70 Creation of New Correctional Officer Positions

As previously discussed by your committee, please consider the following amendment to provide requested information to the Legislature while maintaining the Administration's ability to manage positions:

(a) The establishment of the following permanent classified positions is authorized in fiscal year 2020:

(1) In the Department of Corrections – fifteen (15) Correctional Officer I positions.

~~(b) Notwithstanding any other provision of law, through December 31, 2021, no vacant Correctional Officer I positions shall be reassigned to the Department of Human Resources State position pool.~~

(c) The Agency of Human Services and the Department of Corrections shall report to the Legislative Joint Justice Oversight and Joint Fiscal Committees at their respective meetings in November 2020 on the status of correctional facility staff recruitment, retention and reduction in the use of overtime, and the status of initial and ongoing training for correctional facility staff. The department shall also report on the transfer and conversion on any positions within the department and into or out of the department.

2. Secs. 12, 14, 34 AGENCY OF HUMAN SERVICES, DVHA, DELIVERY SYSTEM REFORM, RISEVT

The Agency of Human Services has already contracted for services with RiseVT as part of DVHA's delivery system reform initiatives for calendar year 2019. The Senate's decision not to fund this initiative creates a \$253,715 General Fund shortfall in DVHA's budget (\$550,000 gross shortfall) in FY20. While the Administration is aware the House and Senate intend to consider this initiative in the FY21 budget, our preference is to restore the funding in the FY20 BAA and consider renewal options in FY21.

**3. Sec. 70a DEPARTMENT OF CORRECTIONS; GRADUATED SANCTIONS;
 REENTRY HOUSING; REPORT**

The Senate accepted a floor amendment, Sec. 70a, that in subsection (b)(2) requests the Department of Corrections to make “recommendations for funding in the fiscal year 2021 budget...” to reduce the use of short-term incarceration sanctions for people on furlough. The Governor included his funding priorities in his budget delivered on January 21, 2020. Subsequent policy changes proposed by the Legislature should include associated funding proposals by the Legislature for the Governor’s consideration in the final bill.

4. The January 16, 2020 consensus forecast included fiscal year 2020 downgrades to the Transportation Fund by \$100,000, and to TIB revenue by \$900,000. To reflect these downgrades and balance the fiscal year 2020 transportation budget, the Agency of Transportation recommends that the following changes be made to H.760 as Passed by the Senate, as follows:

Sec. XX.

2019 Acts and Resolves No. 72, Sec. B.902 is amended to read:

Operating expenses	907,746	<u>307,746</u>
Total	<u>907,746</u>	<u>307,746</u>
Source of funds		
Transportation fund	<u>907,746</u>	<u>307,746</u>
Total	907,706	<u>307,746</u>

Sec. 39.

2019 Acts and Resolves No. 72, Sec. B.903 is amended to read:

Personal services	53,367,048	53,367,048
Operating expenses	217,771,750	217,771,750
Grants	<u>27,258,553</u>	<u>27,258,553</u>
Total	298,397,351	298,397,351
Source of funds		
Transportation fund	<u>41,894,979</u>	<u>41,675,234</u>
TIB fund	<u>11,835,572</u>	<u>12,055,317</u>
Federal funds	244,272,581	244,272,581
Interdepartmental transfers	191,790	191,790
Local match	<u>202,429</u>	<u>202,429</u>
Total	298,397,351	298,397,351

Sec. XX.

2019 Acts and Resolves No. 72, Sec. B.914 is amended to read:

Personal services	3,239,423	3,239,423
Operating expenses	<u>10,143,100</u>	<u>9,843,100</u>
Grants	451,328	451,328
Total	13,833,851	<u>13,533,851</u>

Source of funds

Transportation fund	1,304,648	<u>1,004,648</u>
TIB fund	701,815	701,815
Federal funds	10,887,721	10,887,721
Local match	<u>939,667</u>	<u>939,667</u>
Total	13,833,851	<u>13,533,851</u>

Sec. 42.

2019 Acts and Resolves No. 72, Sec. B.922 is amended to read:

Source of funds

Transportation fund	258,077,167	<u>256,457,422</u>
TIB fund	13,297,387	<u>13,517,132</u>
Special funds	1,410,000	1,410,000
Federal funds	319,145,747	319,145,747
Internal service funds	20,112,038	20,112,038
Interdepartmental transfers	1,789,815	1,789,815
Local match	<u>1,142,096</u>	<u>1,142,096</u>
Total	614,974,250	<u>613,574,250</u>

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