

WORKING DRAFT

June 15, 2020 – 9:37 AM

TO THE HONORABLE SENATE

The Committee on Appropriations to which was referred House Bill No. H. 961, entitled “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”

respectfully reports that it has considered the same and recommends that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

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

Sec. A.1. INTENT

(a) Intent. Due to the 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 nonessential 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 3 V.S.A. § 327(b) and 3 V.S.A. § 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 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 COVID-19 response and relief available for existing programs, including administrative allowances.

(b) The Administration shall not make substantive 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 are made for the first quarter of fiscal year 2021 as follows:

(1) The Vermont Veterans' Home: \$684,446 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) 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.

(7) Homeowner rebate: \$16,600,600 of General Fund.

(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 on July 1, 2020 and ending on 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 subdivision (7)(B) of this subsection (a).

(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) Treasurer, Teacher, State Employee and Municipal Pension Systems administration: 30%.

(9) All other appropriations:

(A) 25% of General Fund appropriations.

(B) 100% 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.40 apply to the appropriations established for the first quarter of fiscal year 2021 in Sec. A.3 and Sec. A.4 of this act that reference the 2019 Acts and Resolves No. 72, Secs. 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. BUDGET REPORT

(a) Notwithstanding 32 V.S.A. § 306, for fiscal year 2021 the Governor shall submit to the General Assembly, not later than the August 18, 2020. A budget which shall embody estimates, requests, and recommendations for appropriations or other authorizations for expenditures from the State Treasury for the remainder of fiscal year 2021. The budget shall be based upon the official State revenue estimates, including the Medicaid estimated caseloads and per-member per-month expenditures, adopted by the Emergency Board pursuant to section 305a of this title.

Sec. A.10. [RESERVED]

Sec. A.11. 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.12. 3 V.S.A. § 479a is amended to read:

§ 479a. STATE EMPLOYEES' POSTEMPLOYMENT BENEFITS TRUST FUND

(a) A "State Employees' Postemployment Benefits Trust Fund" (Benefits Fund) is hereby created for the purpose of accumulating and providing reserves to support retiree postemployment benefits for members, and to make distributions from the Benefits Fund for current and future postemployment benefits for retirees of the Vermont State Employees' Retirement System, excluding pensions and benefits otherwise appropriated by statute and for the payment of reasonable and proper expenses of administering the Benefits Fund and related benefit plans. The Benefits Fund shall not be part of the Retirement System but is intended to comply with and be a tax-exempt governmental trust under Section 115 of the Internal Revenue Code of 1986, as amended.

(b) Into the ~~State Employees' Postemployment Benefits Trust~~ Fund shall be deposited:

(1) ~~All~~ all assets remitted to the State as a subsidy on behalf of the members of the Vermont State Employees' Retirement System for employer-sponsored qualified prescription drug plans pursuant to the Medicare Prescription Drug Improvement and Modernization Act of 2003, except that any

subsidy received from an Employer Group Waiver Program is not subject to this requirement;

(2) ~~Any~~ any appropriations by the General Assembly for the purposes of paying current and future retiree postemployment benefits for members of the Vermont State Employees' Retirement System; and

(3) ~~Amounts~~ amounts contributed or otherwise made available by members of the System or their beneficiaries for the purpose of paying current or future postemployment benefits costs.

(c) The ~~State Employees' Postemployment Benefits Trust~~ Fund shall be administered by the State Treasurer. The Treasurer may invest monies in the ~~State Employees' Postemployment Benefits Trust~~ Fund in accordance with the provisions of 32 V.S.A. § 434 or, in the alternative, may enter into an agreement with the Committee to invest such monies in accordance with the standards of care established by the prudent investor rule under 14A V.S.A. § 902, in a manner similar to the Committee's investment of retirements system monies. All balances in the ~~State Employees' Postemployment Benefits Trust~~ Fund at the end of the fiscal year shall be carried forward. Interest earned shall remain in the ~~State Employees' Postemployment Benefits Trust~~ Fund. The Treasurer's annual financial report to the Governor and the General Assembly shall contain an accounting of receipts, disbursements, and earnings of the ~~State Employees' Postemployment Benefits Trust~~ Fund.

(d) All funds of the ~~State Employees' Postemployment Benefits Trust~~ Fund shall be held in one or more trusts, custodial accounts treated as trusts, or a combination thereof. Contributions to the Benefits Fund shall be irrevocable and it shall be impossible at any time prior to the satisfaction of all liabilities, with respect to employees and their beneficiaries, for any part of the corpus or income of the Benefits Fund to be used for, or diverted to, purposes other than the payment of retiree postemployment benefits to members and their beneficiaries and reasonable expenses of administering the Benefits Fund and related benefit plans.

Sec. A.13. 3 V.S.A. § 523 is amended to read:

§ 523. VERMONT PENSION INVESTMENT COMMITTEE; DUTIES

(a) The Vermont Pension Investment Committee shall be responsible for the investment of the assets of the State Teachers' Retirement System of Vermont, the Vermont State Employees' Retirement System, and the Vermont Municipal Employees' Retirement System pursuant to section 472 of this title, 16 V.S.A. § 1943, and 24 V.S.A. § 5063. The Committee shall strive to maximize total return on investment, within acceptable levels of risk for public retirement systems, in accordance with the standards of care established by the prudent investor rule under 14A V.S.A. § 902. The Committee may, in its discretion, subject to approval by the Attorney General, also enter into agreements with

municipalities administering their own retirement systems to invest retirement funds for those municipal pension plans. The State Treasurer shall serve as the custodian of the funds of all three retirement systems. The Committee may, in its discretion, also enter into agreements with the State Treasurer to invest the State Employees' Postemployment Benefits Trust Fund, established in 3 V.S.A. § 479a, and the Retired Teachers' Health and Medical Benefits Fund, established in 16 V.S.A. § 1944b.

* * *

Sec. A.14. 10 V.S.A. § 9 is amended to read:

§ 9. INVESTMENT IN VERMONT COMMUNITY LOAN FUND

Notwithstanding any provision of 32 V.S.A. § 433(a) to the contrary, the State Treasurer is authorized to invest up to ~~\$1,500,000.00~~ \$2,000,000.00 of short-term operating or restricted funds in the Vermont Community Loan Fund on terms acceptable to the Treasurer and consistent with prudent investment principles and guidelines pursuant to 32 V.S.A. § 433(b)-(c).

Sec. A.15. 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.16. 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.17. 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.

Sec. A.18. SOFTWARE VENDOR CONTRACT AND USER AGREEMENTS COMPLIANCE WITH STATE LAW

(a) The Agency of Digital Services, the Judiciary and the Legislative Information Technology department shall report to the Joint Information Technology Oversight Committee and the Joint Legislative Justice Oversight Committee not later than **September 1 or 15, 2020** on the status of how software vendors which the state currently engages for the provision of services are bringing contracts and user agreements into compliance with Vermont law so as not to contain presumptively unconscionable terms per 9 VSA chapter 152.

* * * Protection to Persons and Property * * *

Sec. A.19. 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.20. JUDICIAL SYSTEM ROLLOUT AND E-FILING FEES

(a) The Judiciary shall meet with representatives of the Vermont Bar Association and other court users to listen to and respond to court users' experience with the Odyssey File and Serve system and to examine alternatives to the current e-filing charges. The Judiciary shall report its efforts and recommendations for improving the rollout of the program and for improving court users' experience with the system, including costs, to the Joint Fiscal Committee and Joint Legislative Justice Oversight Committee not later than October 30, 2020.

Sec. A.21. 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.22. 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.23. 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.24. 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.25. 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 requires 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.26. 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.27. 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.

Sec. A.28. 2019 Acts and Resolves No. 72, Sec. B.301 as amended by 2020 Acts and Resolves No. 88, Sec. 12, as amended by Sec. 5 of H.953 of 2020 as passed by the house and senate is further amended to read:

Sec. B.301 Secretary's office - global commitment		
Operating expenses	3,150,212	3,150,212
Grants	<u>1,629,912,361</u>	<u>1,629,912,361</u>
Total	1,633,062,573	1,633,062,573
Source of funds		
General fund	513,632,278	513,632,278
Special funds	44,969,169	34,969,169
Tobacco fund	21,049,373	21,049,373

State health care resources fund	22,601,110	22,601,110
Federal funds	1,015,442,864	1,015,442,864
Interdepartmental transfers	<u>25,367,779</u>	<u>25,367,779</u>
Total	1,633,062,573	1,633,062,573

Sec. A.29. 2019 Acts and Resolves No. 72, Sec. B.309 as amended by 2020 Acts and Resolves No. 88, Sec. 17 as amended by Sec. 8 of H.953 of 2020 as passed by the house and senate is further amended to read:

Sec. B.309 Department of Vermont health access - Medicaid program - state only

Grants	<u>49,128,572</u>	<u>49,128,572</u>
Total	49,128,572	49,128,572
Source of funds		
General fund	39,150,622	39,150,622
Federal funds	0	85,500
Global Commitment fund	9,892,450	9,892,450
Enterprise funds	<u>85,500</u>	<u>0</u>
Total	49,128,572	49,128,572

Sec. A.30. 2019 Acts and Resolves No. 72, Sec. B.346 as amended by 2020 Acts and Resolves No. 88, Sec. 34 as amended by Sec. 14 of H.953 of 2020 as passed by the house and senate is further amended to read:

Sec. B.346 Total human services

Source of funds		
General fund	960,370,523	960,370,523
Special funds	123,782,144	123,782,144
Tobacco fund	23,088,208	23,088,208
State health care resources fund	22,601,110	22,601,110
Federal funds	1,464,072,845	1,464,158,345
Global Commitment fund	1,583,073,476	1,583,073,476
Internal service funds	2,035,610	2,035,610
Interdepartmental transfers	46,373,468	46,373,468
Permanent trust funds	25,000	25,000
Enterprise funds	<u>85,500</u>	<u>0</u>
Total	4,255,507,884	4,255,507,884

* * * K-12 Education * * *

Sec. A.31. 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.32. 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.33. 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.

Sec. A.34. 16 V.S.A. § 1944b is amended to read:

§ 1944b. RETIRED TEACHERS' HEALTH AND MEDICAL BENEFITS FUND

* * *

(d) The Treasurer may invest monies in the Benefits Fund in accordance with the provisions of 32 V.S.A. § 434 or, in the alternative, may enter into an agreement with the Vermont Pension Investment Committee to invest such monies in accordance with the standards of care established by the prudent investor rule under 14A V.S.A. § 902, in a manner similar to the Committee's investment of retirement system monies. Interest earned shall remain in the Benefits Fund, and all balances remaining at the end of a fiscal year shall be carried over to the following year. The Treasurer's annual financial report to the Governor and the General Assembly shall contain an accounting of receipts, disbursements, and earnings of the Benefits Fund.

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* * * Higher Education * * *

Sec. A.35. 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.36. 2019 Acts and Resolves No. 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.

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* * * Transportation * * *

Sec. A.37. 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.38. 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.39. 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.40. 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).

(b) The Agency of Transportation shall distribute \$6,776,442.25 to towns in the apportionments provided under 19 V.S.A. § 306(a)(3) for the first quarterly payment of town highway aid.

* * * COVID-19 Expenditures * * *

Sec. A.41. CONSISTENCY WITH CARES ACT AND GUIDANCE.

(a) The General Assembly determines that the expenditure of monies from the Coronavirus Relief Fund as set forth in this act complies with the requirements of Sec. 5001 of the CARES Act, Pub. L. No. 116-136 and related guidance because the costs to be covered:

(1) are necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19);

(2) were not accounted for in Vermont's fiscal year 2020 budget; and

(3) were, or will be, incurred during the period beginning on March 1, 2020 and ending on December 30, 2020.

Sec. A.42. CORONAVIRUS RELIEF FUND (CRF) – GRANT RECIPIENT REQUIREMENTS AND REVERSION AND REALLOCATION SCHEDULE

(a) All appropriations made from the State's Coronavirus Relief Fund (CRF) in this and other bills passed after March 1, 2020 as part of the 2020 legislative session are made with the knowledge that the statutory and regulatory context is constantly changing. Additional federal legislation may further change the potential for and appropriateness of CRF usage. As a result:

(1) Appropriations from the CRF are subject to changes in source of funds that may occur as the result of subsequent bills or through administrative actions where permissible under law.

(2) Specific CRF uses may need to change based on changes to federal laws or on revised or updated federal guidance.

(3) It is the responsibility of all entities receiving CRF monies to ensure compliance with all federal guidelines as to CRF spending and use.

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

Sec. A.43. GRANTS; CONDITIONS

(a) Any person receiving a grant comprising monies from the Coronavirus Relief Fund shall use the monies only for purposes that comply with the requirements of Sec. 5001 of the CARES Act, Pub. L. No. 116-136 and related guidance.

(b) Any person who expends monies from the Coronavirus Relief Fund for purposes not eligible under Sec. 5001 of the CARES Act, Pub. L. No. 116-136 and related guidance shall be liable for repayment of the funds to the State of Vermont; provided, however, that a person shall not be liable for such repayment if the person expended the monies in good faith reliance on authorization of the proposed expenditure by or specific guidance from the agency or department administering the grant program.

(c) The Attorney General or a State agency or department administering a grant program established or authorized under this act may seek appropriate criminal or civil penalties as authorized by law for a violation of the terms or conditions of the applicable program, grant, or award.

Sec. A.44. RECORD KEEPING; COMPLIANCE

(a) In order to ensure compliance with the requirements Sec. 5001 of the CARES Act, Pub. L. No. 116-136 and related guidance, and to assist the State in demonstrating such compliance, each grant recipient shall report on its use of the monies received pursuant to this act to the agency or department administering the grant as required by that agency or department and shall maintain records of its expenditures of the monies for three years, or for a longer period if so required by State or federal law, to enable verification as needed.

Sec. A.45. 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 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 six-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 conducted in a remote or partially remote manner.

(2) The Vermont State Colleges (VSC): \$22,758,000 is granted to the VSC for costs and business disruption impacts through December 30, 2020 due to the COVID-19 pandemic.

(3) The University of Vermont (UVM): \$17,355,000/\$19,355,000 is granted to UVM for costs and business disruption impacts through December 30, 2020 due to the COVID-19 pandemic as outlined in the May 5, 2020 memo submitted to the House Appropriations Committee from the UVM Vice President for Finance and Treasurer. This includes capacity for the University's Business Resource Center to engage with and provide assistance to pandemic impacted businesses in Vermont or relocating to Vermont through December 30, 2020.

(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 COVID-19 pandemic.

(6) Defender General: \$753,000 is appropriated to the Defender General for costs incurred or anticipated to be incurred in response to the COVID-19 pandemic.

(7) Vermont Center for Crime Victim Services: \$742,500 is appropriated to Center for Crime Victim Services for costs incurred or anticipated to be incurred in response to the COVID-19 pandemic. These funds are allocated as follows:

(A) \$502,500 for domestic and sexual violence providers direct costs including PPE; hazard pay; equipment and HIPAA-compliant video conference services; increased shelter sanitation costs and increased direct aid to survivors moved into in the community to meet COVID-19 health and safety recommendations.

(B) \$80,000 for no cost legal representation to victims of domestic and sexual violence through the Vermont Network's Justice for Victims Legal Clinic because the pandemic has made it more difficult for victims to find attorneys and understand how they may participate remotely in judicial proceedings.

(C) \$160,000 for providing domestic and sexual violence victim's advocates with remote access to the Forensic Nursing Program due to COVID-19 because victim's advocates are restricted by hospitals from being physically present with victims during the pandemic as an infection control strategy.

(8) Judiciary: \$2,608,500 is appropriated to the Judiciary for costs incurred in response to the COVID-19 pandemic.

(9) Agency of Human Services: \$300,000 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 COVID-19 pandemic. Up to 50% of this amount shall be used to cover the cost of per use electronic judicial filing fees through December 30, 2020 to ensure all court users have timely access to justice as the judicial system resumes operations relying on greater digital remote online processes to ensure public health and safety after closure due to COVID-19.

(10) Department of Corrections: \$2,500,000 is appropriated to the Department of Corrections to address the health and safety of persons under the custody of the Commissioner of Corrections and Department of Corrections staff due to the COVID-19 emergency. These funds are allocated below, allocations that cannot be used by December 30, 2020 may be reallocated to other eligible COVID-19 cost categories. Any reallocations shall be reported to the Joint Legislative Justice Oversight Committee, the commissioner of finance and management and the joint fiscal office:

(A) \$760,000 for personal protective equipment (PPE), temperature scanners, and six full body scanners for COVID-19 mitigation at State correctional facilities and field service offices.

(B) \$700,000 for technology upgrades to support the COVID-19 necessitated transition from in-person programs and services to remote on-line access across facilities including WIFI heating mapping in the facilities, the

Community High School of Vermont learning management system, as well as devices, applications and video conferencing services.

(C) \$363,000 to be granted to community justice centers. Of which \$252,000 is the estimated amount for direct costs incurred at the centers as a result of COVID-19. The remainder is to provide increased program capacity at the transitional housing programs operated by some community justice centers for individuals reentering into the community to reduce the risk of spreading COVID-19 in State correctional facilities

(D) \$350,000 to for the department to increase rental housing and supporting program capacity in the community. Of this amount \$200,000 is the estimated amount for direct rental assistance for first and last month for individuals reentering the community to reduce the risk of spreading COVID-19 in State correctional facilities. The remaining amount is to increase and provide domestic violence and batterer intervention programs in the community required for COVID-19 reentering individuals.

(E) \$327,000 to be granted to Vermont Network for Domestic Violence. \$130,000 to provide \$10,000 grants for each of the thirteen Domestic Violence Offender Accountability Programs to immediately transition to remote access. The remaining funds to support victims of domestic and sexual violence who are incarcerated and reentering the community by remote contact systems and more extensive use of support personnel to ameliorate the impact of COVID-19 which has required the department to isolate some incarcerated individuals and to limit the in-person contacts of these re-entering individuals. Batterer Intervention DV add

(F) The Commissioner of Corrections shall report to the Joint Legislative Justice Oversight Committee in November 2020 if the funding in this section and in Sec. 36(a)(8) of H.953 of 2020 for rental assistance; changes in community supervision; reentry and community programming support or pilot programs provided through community service partner organizations; and domestic violence offender reentry programs and victim support programs have decreased incarceration and if the impact is sufficient to continue to provide funding in the future for these programs. Specifically, the Commissioner shall identify if any of these programs should continue to be funded after the pandemic emergency because of their continued potential to further reduce overall incarceration rates.

(11) 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.

(12) 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. This project's phase one is to facilitate communications with all registered businesses and business types in the period of the COVID-19 pandemic by bringing more

transactions online to facilitate remote work; and increase overall employee and agency efficiency in operations.

(13) Department for Children and Families (DCF): \$1,400,000 is appropriated to DCF, Office of Economic Opportunity, to be granted to the Community Action Agencies for the Statewide Community Action Network's Economic Micro Business Recovery Assistance for the COVID-19 Epidemic (EMBRACE) to assist the most disadvantaged Vermont microbusiness owners impacted by COVID-19 business closure orders with to access grants and technical assistance.

(14) Department of Disabilities, Aging, and Independent Living (DAIL): \$100,000 is appropriated to DAIL to be granted to the Vermont Association for 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.

(15) The Department of Disabilities, Aging and Independent Living 9 (DAIL) \$2,450,000 is appropriated DAIL to provide financial stability grant funding to the twelve adult day providers statewide to continue to support the facilities, service infrastructure and necessary operating costs for July 2020 through September 2020 as these programs remained closed due the COVID-19 crisis and prepare to reopen safely for the vulnerable populations they service at the end of their closure period.

(16) 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.

(17) Department of Forests, Parks and Recreation: \$500,000 is appropriated to the Department of Forests, Parks and Recreation to make payments to refund cancellations due to COVID-19 for State parks' reservations that were paid in advance.

Sec. A.46. H.953 (Supplemental Budget Adjustment) of 2020 is amended by striking out in Sec. 36, subdivision (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) \$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, 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 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 COVID-19 funding, State prospective payments related to COVID-19 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 Budgetary Context * * *

Sec. A.47. 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.48. 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.49. 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.50. 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.51. 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 not 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.52. 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.52 *****

Sec. A.53. EFFECTIVE DATES

(a) This section and Secs. A.7 (pilot position sunset extension), A.8 (sunset extension), A.9 (Budget Report), A.12 (State Employees' Postemployment Benefits Trust Fund), A.13 (Vermont Pension Investment Committee; Duties), A.14, Investment in Vermont Community Loan Fund), A.19 (e-filing), A.24 (military reclassification), A.26 (repurposing one-time appropriation), A.28-A.30 (Agency of Human Services fiscal year budget adjustments), A.31 (education fund appropriation technical correction), A.34 (Retired Teachers' Health and Medical Benefits Fund), A.36 (Bennington waterline loan subsidy increase), A.47 (emergency medical/ambulance services funding) shall take effect upon passage.

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

* * * Collective Bargaining Agreements; Fiscal Years 2021 and 2022 * * *

Sec. B.1. COLLECTIVE BARGAINING AGREEMENTS; FISCAL YEARS
2021 AND 2022

(a) This act fully funds the collective bargaining agreements between the State and the Vermont State Employees' Association and the State and the Vermont Troopers' Association for the periods of July 1, 2020 through June 30, 2022. These collective bargaining agreements provide:

(1) In fiscal year 2021, an average 1.9 percent step increase and \$1,400.00 one-time payment to individuals employed as of July 1, 2020.

(2) In fiscal year 2022, an average 1.9 percent step increase and 2.25 percent across-the-board increase for a total of 4.15 percent increase.

* * * Other Compensation Increases in Fiscal Year 2022 * * *

Sec. B.2. POTENTIAL REDUCTION OR ELIMINATION OF OTHER
COMPENSATION INCREASES IN FISCAL YEAR 2022

(a) The General Assembly may amend the provisions of this act in subsequent legislation in order to reduce or eliminate the compensation increases this act would provide in fiscal year 2022 to employees exempt from the classified service who are not covered by a collective bargaining agreement and to officers for whom compensation is provided in statute if necessary to address the fiscal needs of the State in response to COVID-19.

* * * Executive Branch; Exempt Employees; Fiscal Year 2022 * * *

Sec. B.3. EXECUTIVE BRANCH; EXEMPT EMPLOYEES; PERMITTED
SALARY INCREASES; FISCAL YEAR 2022

(a) Exempt employees in the Executive Branch may receive salary increases not to exceed 4.15 percent in fiscal year 2022 beginning on July 4, 2021.

(b) The permitted increases set forth in subsection (a) of this section are consistent with the collective bargaining agreement between the State and the Vermont State Employees' Association for classified employees in the Executive Branch for fiscal year 2022.

Sec. B.4. EXECUTIVE BRANCH; EXEMPT AGENCY AND
DEPARTMENT HEADS, DEPUTIES, AND EXECUTIVE
ASSISTANTS; ANNUAL SALARY ADJUSTMENT AND
SPECIAL SALARY INCREASE OR BONUS

(a) For purposes of determining annual salary adjustments, special salary increases, and bonuses under 32 V.S.A. §§ 1003(b) and 1020(b), "the total rate

of adjustment available to classified employees under the collective bargaining agreement” shall be, in fiscal year 2022, 4.15 percent.

Sec. B.5. 32 V.S.A. § 1020 is amended to read:

§ 1020. SALARY ADJUSTMENT; APPROVAL OF GOVERNOR

(a) Compensation to be paid any officer or employee within the Executive Branch of State government shall be determined at the time the officer or employee is hired by the Governor or such person as the Governor shall designate, subject to any applicable statutory limits, other than:

(1) an employee in the classified service;

(2) a member of the uniformed State Police within the Department of Public Safety; or

(3) an officer or employee whose compensation is specifically fixed by statute, ~~shall be determined at the time the officer or employee is hired by the Governor or such person as the Governor shall designate subject to any applicable statutory limits.~~

(b)(1) Annually, subject to any applicable statutory salary limits, the Governor may grant annual salary adjustments to exempt employees who are deputies or executive assistants to department heads or are deputies or executive assistants to agency secretaries. The annual salary adjustment granted to any officer under this subsection shall not exceed the ~~average of the~~ total rate of adjustment available to classified employees under the collective bargaining agreement then in effect.

(2) In addition to the annual salary adjustment specified in this subsection, the Governor may grant a special salary increase or a bonus to any such officer whose job duties have significantly increased, or whose contributions to the State in the preceding year are deemed especially significant. Special salary increases or bonuses granted to any individual shall not exceed the ~~average of the~~ total rate of adjustment available to classified employees under the collective bargaining agreement then in effect.

(c)(1) The Governor may establish one or more compensation plans for other exempt employees ~~which that~~ provide for adjustments in salary based on changes in the duties performed, seniority, or other objective factors ~~which that~~ the ~~governor~~ Governor finds to be appropriate.

(2) The Governor may extend to such employees any adjustments to compensation not to exceed those available to classified employees provided under the collective bargaining agreement then in effect.

* * * Executive Branch; Miscellaneous Statutory Salaries;

Fiscal Year 2022 * * *

Sec. B.6. 32 V.S.A. § 1003 is amended to read:

§ 1003. STATE OFFICERS

(a) Each elective officer of the Executive Department is entitled to an annual salary as follows:

	Annual Salary as of July 7, 2019	Annual Salary as of January 5, 2020	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 4,</u> <u>2021</u>
Governor	\$181,661	\$184,113	<u>\$191,754</u>
Lieutenant Governor	77,112	78,153	<u>81,396</u>
Secretary of State	115,190	116,745	<u>121,590</u>
State Treasurer	115,190	116,745	<u>121,590</u>
Auditor of Accounts	115,190	116,745	<u>121,590</u>
Attorney General	137,898	139,790	<u>145,591</u>

(b) The Governor may appoint each officer of the Executive Branch listed in this subsection at a starting salary ranging from the base salary stated for that position to a salary that does not exceed the maximum salary unless otherwise authorized by this subsection. The maximum salary for each appointive officer shall be 50 percent above the base salary. Annually, the Governor may grant to each of those officers an annual salary adjustment subject to the maximum salary. The annual salary adjustment granted to officers under this subsection shall not exceed the ~~average of the~~ total rate of adjustment available to classified employees under the collective bargaining agreement then in effect. In addition to the annual salary adjustment specified in this subsection, the Governor may grant a special salary increase subject to the maximum salary, or a bonus, to any officer listed in this subsection whose job duties have significantly increased, or whose contributions to the State in the preceding year are deemed especially significant. Special salary increases or bonuses granted to any individual shall not exceed the ~~average of the~~ total rate of adjustment available to classified employees under the collective bargaining agreement then in effect.

(1) Heads of the following Departments and Agencies:

Base Salary as of July 7,	Base Salary as of January 5,	<u>Base</u> <u>Salary</u> <u>as of</u> <u>July 4,</u>
--	---------------------------------------	--

	<u>2019</u>	2020	<u>2021</u>
(A) Administration	\$109,849	\$111,332	<u>\$115,952</u>
(B) Agriculture, Food and Markets	109,849	111,332	<u>115,952</u>
(C) Financial Regulation	102,693	104,079	<u>108,398</u>
(D) Buildings and General Services	102,693	104,079	<u>108,398</u>
(E) Children and Families	102,693	104,079	<u>108,398</u>
(F) Commerce and Community Development	109,849	111,332	<u>115,952</u>
(G) Corrections	102,693	104,079	<u>108,398</u>
(H) Defender General	102,693	104,079	<u>108,398</u>
(I) Disabilities, Aging, and Independent Living	102,693	104,079	<u>108,398</u>
(J) Economic Development	93,155	94,413	<u>98,331</u>
(K) Education	109,849	111,332	<u>115,952</u>
(L) Environmental Conservation	102,693	104,079	<u>108,398</u>
(M) Finance and Management	102,693	104,079	<u>108,398</u>
(N) Fish and Wildlife	93,155	94,413	<u>98,331</u>
(O) Forests, Parks and Recreation	93,155	94,413	<u>98,331</u>
(P) Health	102,693	104,079	<u>108,398</u>
(Q) Housing and Community Development	93,155	94,413	<u>98,331</u>
(R) Human Resources	102,693	104,079	<u>108,398</u>
(S) Human Services	109,849	111,332	<u>115,952</u>
(T) Digital Services	109,849	111,332	<u>115,952</u>
(U) Labor	102,693	104,079	<u>108,398</u>
(V) Libraries	93,155	94,413	<u>98,331</u>
(W) Liquor and Lottery	93,155	94,413	<u>98,331</u>
(X) [Repealed.]			
(Y) Mental Health	102,693	104,079	<u>108,398</u>
(Z) Military	102,693	104,079	<u>108,398</u>

(AA) Motor Vehicles	93,155	94,413	<u>98,331</u>
(BB) Natural Resources	109,849	111,332	<u>115,952</u>
(CC) Natural Resources Board			
Chair	93,155	94,413	<u>98,331</u>
(DD) Public Safety	102,693	104,079	<u>108,398</u>
(EE) Public Service	102,693	104,079	<u>108,398</u>
(FF) Taxes	102,693	104,079	<u>108,398</u>
(GG) Tourism and Marketing	93,155	94,413	<u>98,331</u>
(HH) Transportation	109,849	111,332	<u>115,952</u>
(II) Vermont Health Access	102,693	104,079	<u>108,398</u>
(JJ) Veterans' Home	102,693	104,079	<u>108,398</u>

(2) The Secretary of Administration may include the Director of the Office of Professional Regulation in any pay plans that may be established under the authority of subsection 1020(c) of this title, provided the minimum hiring rate does not fall below a base salary, as of ~~July 7, 2019 of \$78,975.00~~ and as of January 5, 2020 of \$80,041.00 and as of July 4, 2021 of \$83,363.00.

(3) If the Chair of the Natural Resources Board is employed on less than a full-time basis, the hiring and salary maximums for that position shall be reduced proportionately.

(4) When a permanent employee is appointed to an exempt position, the Governor may authorize such employee to retain the present salary even though it is in excess of any salary maximum provided in statute.

* * *

(d) Notwithstanding the maximum salary established in subsection (b) of this section, the Defender General shall not receive compensation in excess of the compensation established for the Attorney General in this section.

(e) Notwithstanding the maximum salary established in subsection (b) of this section, the maximum salary for the Commissioner of Health ~~may~~ shall not exceed \$150,000.00.

* * * Judicial Branch; Statutory Salaries; Fiscal Year 2022 * * *

Sec. B.7. 32 V.S.A. § 1003(c) is amended to read:

(c) The officers of the Judicial Branch named below shall be entitled to annual salaries as follows:

Annual	Annual	<u>Annual</u>
Salary	Salary	<u>Salary</u>

	as of July 7, 2019	as of January 5, 2020	<u>as of</u> <u>July 4,</u> <u>2022</u>
(1) Chief Justice of Supreme Court	\$174,843	\$177,203	<u>\$184,557</u>
(2) Each Associate Justice	66,868	169,121	<u>176,140</u>
(3) Administrative judge <u>Judge</u>	166,868	169,121	<u>176,140</u>
(4) Each Superior judge	158,635	160,777	<u>167,449</u>
(5) [Repealed.]			
(6) Each magistrate	119,609	121,224	<u>126,255</u>
(7) Each Judicial Bureau hearing officer	119,609	121,224	<u>126,255</u>

Sec. B.8. 32 V.S.A. § 1141 is amended to read:

§ 1141. ASSISTANT JUDGES

(a)(1) Each assistant judge of the Superior Court shall be entitled to receive compensation in the amount of ~~\$183.38 a day as of July 7, 2019~~ and \$185.86 a day as of January 5, 2020 and \$193.57 a day as of July 4, 2021 for time spent in the performance of official duties and necessary expenses as allowed to classified State employees. Compensation under this section shall be based on a two-hour minimum and hourly thereafter.

(2)(A) The compensation paid to an assistant judge pursuant to this section shall be paid by the State except as provided in subdivision (B) of this subdivision (2).

(B) The compensation paid to an assistant judge pursuant to this section shall be paid by the county at the State rate established in subdivision (a)(1) of this section when an assistant judge is sitting with a presiding Superior judge in the Civil or Family Division of the Superior Court.

(b) Assistant judges of the Superior Court shall be entitled to receive pay for such days as they attend court when it is in actual session, or during a court recess when engaged in the special performance of official duties.

Sec. B.9. 32 V.S.A. § 1142 is amended to read:

§ 1142. PROBATE JUDGES

(a) The Probate judges in the several Probate Districts shall be entitled to receive the following annual salaries, which shall be paid by the State in lieu of all fees or other compensation:

	<u>Annual Salary</u> as of <u>July 7, 2019</u>	Annual Salary as of January 5, 2020	<u>Annual Salary</u> as of <u>July 4, 2021</u>
(1) Addison	\$62,540	\$63,384	<u>\$66,014</u>
(2) Bennington	79,060	80,127	<u>83,452</u>
(3) Caledonia	55,461	56,210	<u>58,543</u>
(4) Chittenden	131,939	133,720	<u>139,269</u>
(5) Essex	15,494	15,703	<u>16,355</u>
(6) Franklin	62,540	63,384	<u>66,014</u>
(7) Grand Isle	15,494	15,703	<u>16,355</u>
(8) Lamoille	43,660	44,249	<u>46,085</u>
(9) Orange	51,919	52,620	<u>54,804</u>
(10) Orleans	50,740	51,425	<u>53,559</u>
(11) Rutland	112,100	113,613	<u>118,328</u>
(12) Washington	86,138	87,301	<u>90,924</u>
(13) Windham	69,620	70,560	<u>73,488</u>
(14) Windsor	94,400	95,674	<u>99,644</u>

(b) Probate judges shall be entitled to be paid by the State for their actual and necessary expenses under the rules and regulations pertaining to classified State employees. The compensation for the Probate judge of the Chittenden District shall be for full-time service.

(c) All Probate judges, regardless of the number of hours worked annually, shall be eligible to participate in all employee benefits that are available to exempt employees of the Judicial Department.

* * * Sheriffs; Statutory Salaries; Fiscal Year 2022 * * *

Sec. B.10. 32 V.S.A. § 1182 is amended to read:

§ 1182. SHERIFFS

(a) The sheriffs of all counties except Chittenden shall be entitled to receive salaries in the amount of ~~\$84,969.00 as of July 7, 2019~~ and \$86,116.00 as of January 5, 2020 and \$89,690.00 as of July 4, 2021. The Sheriff of Chittenden County shall be entitled to an annual salary in the amount of ~~\$89,919.00 as of July 7, 2019~~ and \$91,133.00 as of January 5, 2020 and \$94,915.00 as of July 4, 2021.

(b) Compensation under subsection (a) of this section shall be reduced by 10 percent for any sheriff who has not obtained Level III law enforcement officer certification under 20 V.S.A. § 2358.

* * * State's Attorneys; Statutory Salaries; Fiscal Year 2022 * * *

Sec. B.11. 32 V.S.A. § 1183 is amended to read:

§ 1183. STATE'S ATTORNEYS

(a) The State's Attorneys shall be entitled to receive annual salaries as follows:

	Annual Salary as of July 7, 2019	Annual Salary as of January 5, 2020	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 4,</u> <u>2021</u>
(1) Addison County	\$114,934	\$116,486	<u>\$121,320</u>
(2) Bennington County	\$114,934	\$116,486	<u>\$121,320</u>
(3) Caledonia County	\$114,934	\$116,486	<u>\$121,320</u>
(4) Chittenden County	\$120,160	\$121,782	<u>\$126,836</u>
(5) Essex County	\$86,202	\$87,366	<u>\$90,992</u>
(6) Franklin County	\$114,934	\$116,486	<u>\$121,320</u>
(7) Grand Isle County	\$86,202	\$87,366	<u>\$90,992</u>
(8) Lamoille County	\$114,934	\$116,486	<u>\$121,320</u>
(9) Orange County	\$114,934	\$116,486	<u>\$121,320</u>
(10) Orleans County	\$114,934	\$116,486	<u>\$121,320</u>
(11) Rutland County	\$114,934	\$116,486	<u>\$121,320</u>
(12) Washington County	\$114,934	\$116,486	<u>\$121,320</u>
(13) Windham County	\$114,934	\$116,486	<u>\$121,320</u>
(14) Windsor County	\$114,934	\$116,486	<u>\$121,320</u>

* * *

* * * Legislators; Statutory Salaries; Fiscal Year 2022 * * *

Sec. B.12. 32 V.S.A. § 1051 is amended to read:

§ 1051. SPEAKER OF THE HOUSE AND PRESIDENT PRO TEMPORE
OF THE SENATE; COMPENSATION AND EXPENSE

REIMBURSEMENT

(a) The Speaker of the House and the President Pro Tempore of the Senate shall be entitled to receive annual compensation of ~~\$10,080.00~~ \$12,715.00 for the ~~2005~~ 2021 Biennial Session and thereafter, to be paid in biweekly payments, provided that, beginning on ~~January 1, 2007~~ July 1, 2021 and annually thereafter on January 1, the annual compensation shall be adjusted ~~annually thereafter by~~ consistent with the cost of living adjustment negotiated for State employees under the most recent collective bargaining agreement compensation increases provided to other constitutional officers. In addition to the annual compensation, the Speaker and President Pro Tempore shall be entitled to receive:

(1) ~~\$652.00~~ \$823.00 a week for the ~~2005~~ 2021 Biennial Session and thereafter, to be paid in biweekly payments during the regular and adjourned sessions of the General Assembly, provided that, beginning on ~~January 1, 2007~~ July 1, 2021 and annually thereafter on January 1, the weekly compensation shall be adjusted ~~annually thereafter by~~ consistent with the cost of living adjustment negotiated for State employees under the most recent collective bargaining agreement compensation increases provided to other constitutional officers;

(2) an amount equal to one-fifth of the annually adjusted weekly compensation set forth in subdivision (1) of this subsection, rounded up to the nearest dollar, per day during a special session of the General Assembly; and

(3) mileage, meals, and lodging expenses as provided to members of the General Assembly under subsection 1052(b) of this title during the biennial, adjourned, and special sessions of the General Assembly and in addition such other actual and necessary expenses incurred while engaged in duties imposed by law.

* * *

Sec. B.13. 32 V.S.A. § 1052 is amended to read:

§ 1052. MEMBERS OF THE GENERAL ASSEMBLY; COMPENSATION AND EXPENSE REIMBURSEMENT

(a)(1) Each member of the General Assembly, other than the Speaker of the House and the President Pro Tempore of the Senate, is entitled to a weekly salary of ~~\$589.00~~ \$743.00 for the ~~2005~~ 2021 Biennial Session and thereafter, provided that, beginning on ~~January 1, 2007~~ July 1, 2021 and annually thereafter on January 1, the weekly compensation shall be adjusted ~~annually thereafter by~~ consistent with the cost of living adjustment negotiated for State employees under the most recent collective bargaining agreement compensation increases provided to other constitutional officers. The salary of members shall be paid in biweekly installments.

(2) During a special session, a member is entitled to an amount equal to one-fifth of the annually adjusted weekly compensation set forth in subdivision

(1) of this subsection, rounded up to the nearest dollar, for each day of a special session on which the House of which he or she is a member shall sit.

* * *

* * * Appropriations * * *

Sec. B.14. 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, Non-Management, Supervisory, and Corrections bargaining units, and, for the purpose of appropriation, the State's Attorneys' offices bargaining unit, 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 as follows:

(1) Fiscal Year 2021.

(A) General Fund. The amount of \$11,553,795 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2021 collective bargaining agreements and the requirements of this act.

(B) Transportation Fund. The amount of \$3,911,750 is appropriated from the Transportation Fund to the Secretary of Administration for distribution to the Agency of Transportation and the Department of Public Safety to fund the fiscal year 2021 collective bargaining agreements and the requirements of this act.

(C) 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 and the requirements of this act. The estimated amounts are \$12,809,440 from special fund, federal, and other sources.

(D) 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 purposes of this act to the various agencies supported by State funds.

(2) Fiscal Year 2022.

(A) General Fund. The amount of \$13,789,325 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2022 collective bargaining agreements and the requirements of this act.

(B) Transportation Fund. The amount of \$5,151,540 is appropriated from the Transportation Fund to the Secretary of Administration for distribution to the Agency of Transportation and the Department of Public Safety to fund the fiscal year 2022 collective bargaining agreements and the requirements of this act.

(C) Other funds. The Administration shall provide additional spending authority to departments through the existing process of excess receipts to fund the fiscal year 2022 collective bargaining agreements and the requirements of this act. The estimated amounts are \$15,775,278 from special fund, federal, and other sources.

(D) Transfers. With due regard to the possible availability of other funds, for fiscal year 2022, 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 purposes of this act to the various agencies supported by State funds.

(3) This section shall include sufficient funding to ensure administration of exempt pay plans authorized by 32 V.S.A. § 1020(c).

(b) Judicial Branch.

(1) The Chief Justice of the Vermont Supreme Court may extend the provisions of the Judiciary's collective bargaining agreement to Judiciary employees who are not covered by the bargaining agreement.

(2) 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 as follows:

(A) Fiscal Year 2021. The amount of \$872,330 is appropriated from the General Fund to the Judiciary to fund the fiscal year 2021 collective bargaining agreement and the requirements of this act.

(B) Fiscal Year 2022. The amount of \$1,293,759 is appropriated from the General Fund to the Judiciary to fund the fiscal year 2022 collective bargaining agreement and the requirements of this act.

(c) Legislative Branch. For the period of July 1, 2020 through June 30, 2022, the General Assembly shall be funded as follows:

(1) Fiscal Year 2021. The amount of \$241,000 is appropriated from the General Fund to the Legislative Branch.

(2) Fiscal Year 2022. The amount of \$434,000 is appropriated from the General Fund to the Legislative Branch.

* * * Effective Dates Secs. B.1. – B.15. * * *

Sec. B.15. EFFECTIVE DATES

(a) This section and Secs. B.1. through B.14. shall take effect on July 1, 2020, except that Secs. B.12. and B.13. (legislators; statutory salaries; fiscal year 2022) shall take effect on January 1, 2021.

And by renumbering all the sections of the bill to be numerically correct (including internal references) and adjusting all the totals to be arithmetically correct.

Senator Kitchel
FOR THE COMMITTEE