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STATE OF VERMONT
GENERAL ASSEMBLY
HOUSE COMMITTEE ON ENERGY AND
TECHNOLOGY

January 11, 2022

Chair Hooper and members of the Appropriations Committee:

The Energy & Technology Committee has considered the Administration's proposed FY'22 budget adjustments within the policy jurisdiction of our committee and makes the following recommendations:

- **B.1106(a)(23):** **$3.3 million to the Agency of Digital Services for a cybersecurity initiative** including $2.3 million for security information and event management software and $1.0 million for FY'23 licensing and maintenance of this software.

   RECOMMENDATION: the committee **SUPPORTS** this request as it expands ADS' ability to identify and address cyber threats more quickly and efficiently. Approximately 40% of ADS' cyber surveillance requires manual intervention, with this software investment upgrading cyber protection on that portion of State government's IT systems. Implementation can begin upon funding.

- **D.101(a)(14):** **$6.7 million to the State Liability Self-Insurance Fund to self-insure the State for cyber liability** due to changes in the third-party insurance policy.

   RECOMMENDATION: the committee **SUPPORTS** this request to replace the State's uneconomic third-party insurance cyber liability policy. That policy proposed to decrease coverage from $10 million to $5 million while increasing the policy's deductible from $250,000 to $3.5 million.

- **G.600(a)(5):** **Shift funding out of ARPA and into the General Fund of $10 million for the Affordable Community-Scale Renewable Energy Program at the Department of Public Service** due to Treasury/ARPA compliance issues.

   RECOMMENDATION: the committee recommends **RECONSIDERATION** of this program. While the committee supports programs to expand affordability and access to renewable energy, this new and yet-to-be implemented program was conceived of ten months before the recommendations of the Climate Action Plan and the accompanying "Recommendations for Deployment of ARPA Funding to Support Climate Action Plan Implementation" were released in December 2021. With the CAP recommendations in-hand, the committee recommends a re-assessment during the FY'23 budget process of this program alongside other programs that can address Vermont's climate needs.

- **G.501(a): Shift funding for $28.82 million of ten State technology projects from ARPA to the General Fund** due to Treasury/ARPA compliance issues.

  RECOMMENDATION: the committee believes these ten projects are overdue for completion as a necessary modernization of the State's IT infrastructure. These projects are being pursued in ten different agencies and departments across State government and have proceeded at varied pace and levels of efficiency since the passage of Act 74. While the committee continues to support funding for the completion of these ten projects, understanding the relative premium of General Fund dollars and the possible need to push the underwriting of some of these ten projects into the FY'23 General Fund budget, the table below assigns a "1" or "2" level of prioritization for funding these projects with FY'22 General Funds versus pushing funding into FY'23.

Timing Priority	Project	Funding	**ADS Dashboard link** information
1	**ADS-Cybersecurity Infrastructure**	$1,500,000	Green Initiation phase No issues raised 30% complete, 17% timeline elapsed, 0% budget used.
1	**ODG-Case Management Software Upgrade**	$140,000	Green Planning stage Resource/Planning questions 14% complete, 48% timeline elapsed, 7% budget used.
1	**SAS-Case Management Software Upgrade**	$1,700,000	Green Initiation stage no questions 5% complete, 11% time elapsed, 0% budget used.
1	**SOS-VT Business Portal**	$250,000	Yellow Execution stage Risk/Schedule significant concerns 75% complete, 57% time elapsed, 72% budget used.
1	**VDOL-UI Modernization, Job Link**	$4,500,000	Yellow Planning stage – RFP about to be released. Budget/Resource/Risk questions raised 1% complete, 32% time elapsed, 1% budget used.
2	**AOE-License Data Management**	$4,010,000	Yellow Planning stage Budget/Risk/Schedule questions raised 7% complete, 65% time elapsed, 4% budget used.
2	**DEC-Permit Navigator, Phase 2**	$1,100,000	Yellow Exploration stage Budget/Risk questions raised 1% complete, 6% timeline elapsed, 0% budget used.
1	**NRB - Act 250 Scanning Project**	$500,000	Green Exploration phase no issues raised 4% complete, 2% time elapsed, 0% budget used.
2	**ACCD-Salesforce Grants Systems**	$1,000,000	Yellow Initiation phase Budget/Resource/Risk/Schedule/Scope questions raised 3% complete, 50% time elapsed, 0% budget used.

1	**DMV-DMV IT System, Phase 1**	$14,120,000	Green Planning phase Resource/Risk issues raised 12% complete, 15% time elapsed, 0% budget used.

Please let me know if I can answer any questions on behalf of the Energy & Technology Committee with regard to these recommendations.

Sincerely,

Representative Briglin
Chair