



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

[phone] 802-828-3322
[fax] 802-828-3320

Susanne R. Young, Secretary

May 4, 2021

Honorable Mary Hooper
Chair, House Committee on Appropriations

Vermont State House
115 State Street
Montpelier, VT 05602

Dear Representative Hooper,

I am writing with respect to H.439, *An act relating to making appropriations for the support of government* as passed the Senate on April 30, 2021. First and foremost, thank you for the ongoing collaboration throughout the session on spending bills. As the year has progressed, we have found ourselves emerging from the pandemic with the fortunate ‘challenge’ of determining how to invest more money than we thought we would have available for short-term and long-term recovery.

At the January 21, 2021 E-Board meeting, a revenue upgrade of \$160 million was adopted and has accrued in the first half of this fiscal year. As we track revenues through the final two quarters, this figure is likely to grow substantially to provide, conservatively, \$100 million more in fiscal year 2021 surplus funds when we adopt the next revenue forecast in July.

Additionally, Congress passed, and President Biden has started to implement, several policies between the time the Governor introduced his FY 2022 budget and today, which have fundamentally altered the budgeting landscape. For example, as you know, the federal government has waived the 25 percent state match for eligible FEMA (Federal Emergency Management Agency) expenses related to the COVID-19 pandemic; extended the 6.2 percent Federal Medical Assistance Percentage (FMAP) increase through June 2021 and potentially for at least two more quarters; and provided a 10 percent FMAP bump for Medicaid long-term care services. These policies alone have helped to free up over \$90 million in additional, available one-time state funds.

Congress also passed, and President Biden signed, the *American Rescue Plan Act (ARPA)* in mid-March 2021, which will bring approximately \$2.7 billion in additional federal funding to Vermont,



including \$1.05 billion in discretionary funds through the Coronavirus State Fiscal Recovery Fund.

The Administration appreciates that the Senate version of the FY 2022 budget provides improved transparency and insight into how the Senate proposes to spend this one-time ARPA State Recovery money. The accounting for these funds is separated out in a single section of the budget, which provides clarity as we work on a final agreement. Vermonters can more easily see how this once-in-a-lifetime investment opportunity will be used to revitalize and expand the economy of every county and every community. The work of the Senate in this regard was difficult but critically important.

Across these different sources of federal funding, we have the opportunity to provide numerous priority initiatives for both the Administration and the Legislature and to make transformational investments in our communities that will allow us to meet our shared goals of growing Vermont's economy and making it a more affordable and economically secure place to live and raise a family. We have much in common in how we propose to invest the funds that have materialized since January, and our differences are primarily focused on the appropriate source of funds for many of these initiatives.

The Governor has been clear that he will not support appropriations in the budget that are funded with the State's ARPA allotment if they are not one-time, transformational investments in long-term infrastructure. While 'transformational' may be subject to interpretation, what the Administration means is clearly defined in the Governor's recommended ARPA investment plan and aligns with the biggest challenges we face as a state – both prior to and because of the pandemic. Ultimately, they are initiatives to help address the fact that, for a decade prior to the pandemic, 11 of our 14 counties struggled with a chronic state of shrinking workforces and economic stagnation or recession. Importantly, the Governor's plan purposely and directly aligns transformative investments in economic growth with issue areas that the Legislature has made its top priorities – such as the need to address climate change, ensure clean water and responsible growth, extend broadband access to everyone, deal humanely with homelessness, and make housing affordable for working Vermonters.

As the Governor has noted, this is a truly historic and potentially pivotal moment for Vermont.

Accordingly, we make several recommendations in this letter, by category, around the source of funds for various initiatives in the Senate-passed budget. These recommendations seek to align the use of ARPA funds for truly transformational and tangible initiatives from those that are more appropriately supported with general funds due to their programmatic, ongoing or short-term nature. Booming state revenues, the recent announcement from the Treasurer's office that debt service requirements in FY22 will be \$8.5 million lower than anticipated, and federal policy changes provide more than enough capacity to fund everyone's priorities strategically and responsibly.

* * *

ECONOMIC DEVELOPMENT AND RECOVERY

The COVID-19 pandemic and ARPA have given Vermont a unique opportunity. ARPA dollars will assist small businesses, reemploy Vermonters, recruit new Vermonters, reinvest in communities, and help



Vermont recover and expand from the pandemic. Investing dollars strategically now, and over the next few years, will establish a stronger economic foundation to support the economic and social well-being of all communities and all Vermonters, especially those struggling most. If invested strategically, we can address acute economic needs with direct relief for communities, individual households, and businesses. And long-term strategic investments will incentivize business growth and productivity through capital investment grants.

More specifically, the Governor's Proposed Investment Plan for ARPA funds for economic development and recovery recommended \$81,125,000 in FY 22, including \$50,000,000 in economic recovery grants. With \$500 million in unmet need at the end of 2020 for businesses, old and new, directly impacted by COVID-19, bridge support to these businesses is critical to livelihoods, communities and our economic recovery. These businesses need help to survive in the short-term, while the long-term investments take hold.

Additionally, \$30,000,000 was identified for capital investments through funding regional and local priority projects across the state and to grow the outdoor recreation economy by funding major projects. It is a great disappointment that funding for these initiatives was cut by half to make room for many smaller, less impactful grants and to backfill other proposals in the Governor's FY 22 recommended budget. Fortunately, the General Fund has the capacity now to support them.

The Administration recommends sources of funding be adjusted for economic development and recovery from the Senate-passed version of H.439 and Act 9 of 2021 (H.315) for several initiatives which are currently funded with ARPA dollars (*See the enclosed appendix and the accompanying spreadsheet for detail of recommended transfer*). Conversely, there are several economic initiatives to which ARPA funds should be directed.

In summary, these recommendations are to:

- substitute \$38,200,000 in General Funds for initiatives currently funded with ARPA;
- substitute \$14,000,000 in ARPA funds for initiatives currently funded with General Funds;
- and
- invest an additional \$1,125,000 million of ARPA to expedite the permitting of ARPA funded projects.

* * *

CLIMATE CHANGE ACTION

Vermont must make significant investments to reduce greenhouse gas emissions and enhance our resilience to a changing climate. In addition, the Global Warming Solutions Act of 2020 created the Vermont Climate Council that is directed to develop a Climate Action Plan by December 1, 2021. The Governor's plan reserves \$100 million to support the work of the Vermont Climate Council, and it also makes immediate investments crucial to meeting our climate goals, including expanding the use of electric vehicles, renewable energy storage, weatherization, and climate resilience.

The Senate-passed ARPA budget does not fund the Governor's initiatives to build out Vermont's electric vehicle charging infrastructure, to offer electrification incentives, to expand renewable energy storage, or



to implement hazard mitigation to make Vermont more resilient to a changing climate. It also underfunds the Governor’s weatherization initiatives across the FY22 budget recommendation and ARPA investment plan.

The Administration recommends revising the sources of funding for climate action from the Senate-passed version of H.439 and making additional investments with ARPA funds.

In summary, the recommendations are to:

- invest an additional \$27,000,000 of ARPA money to address climate change; and
- substitute \$2 million of one-time General Fund for the ARPA funds that support the CAPS MileageSmart program and Clean Energy coach.

* * *

CLEAN WATER

Vermont has not kept pace with its need to address water infrastructure. The Governor’s ARPA proposal invests \$170,000,000 in current unmet needs and reduces future costs through strategic investment in new and existing infrastructure at the residential, site, and community levels. Through a combination of technical assistance, grant awards and contracted projects, these funds will support investments in infrastructure assets essential to high quality waters and vital to Vermont’s economic recovery and future.

The Legislature has recognized the transformation we can achieve with strategic use of ARPA funds for water and sewer infrastructure with significant support through the investments it has made in Section G.700 of the Senate-passed version of H.439.

It should come as no surprise, however, that the Governor will not support H.439 if the diversion of 6 percent of the meals & rooms tax from the Clean Water Fund remains in the bill that arrives on his desk.

Over the Governor’s first two terms, the Administration and the General Assembly worked hard to negotiate a financing construct that would meet our obligation to the Environmental Protection Agency to identify a dedicated source of state funding to clean water – without raising taxes and fees on Vermonters. This agreement, effective on October 1, 2019, to dedicate 6% of the meals and rooms tax was the culmination of years of debate around how to address the devastating algae blooms caused by excess phosphorous and nutrient run-off in Lake Champlain.

That agreement was lauded by clean water advocates and the EPA as the Legislature finally committed to a long-term funding solution. This agreement is less than two years old and the meals and rooms tax represents 50 percent of the flexible state funds critical to the entirety of Vermont’s annual investments in clean water projects, as it provides state match for federal funds and flexible money to fill the need for a state source of funding for projects not covered by capital or federal funding.

The Governor’s recommended fiscal year 2022 budget proposed two new sources of revenue – to add



Keno to our lottery and adopt sports betting – as many other states have done. These remain on the table in the Legislature and ought to be considered if additional base revenue is needed for Legislative priorities.

* * *

ADDRESSING HOMELESSNESS AND BUILDING AFFORDABLE HOUSING

As you are aware, two thousand Vermont households are living in motels/homeless shelters and middle-income families have been priced out of homeownership in Vermont. The Governor’s ARPA investment proposal seeks to utilize \$129,000,000 in FY22 to accelerate development of mixed-income housing, create public-private partnerships to enhance homeownership opportunities, construct permanent housing for those experiencing homelessness, and expand necessary shelter capacity. These projects will have lasting effects on the health of communities and residents. The Governor’s four-year ARPA investment plan will bring at least 5,000 units to market by the end of 2024 if adequately funded.

While the Senate has made considerable investments in housing in H.439, these appropriations do not address the most pressing need, which is transitioning people from homelessness to permanent housing. The Governor’s proposal included \$90,000,000 in ARPA funding to house homeless Vermonters and \$12,000,000 to expand homeless shelter capacity. We need to make these investments now to transition homeless Vermonters out of their temporary arrangements in hotels and motels and into permanent, stable placements.

The Senate has included \$40 million in general funds to the Vermont Housing Conservation Board and \$36 million of ERAP to the Department of Children and Families Economic Services Division to run the Emergency Housing program for the next two years. While we support the latter investment, these funds can only pay for the continuation of the fundamentally imperfect Emergency Housing program. These funds should not supplant the transformational investments in the Governor’s ARPA plan, which are meant to make a systemic change in how we address homelessness and how we help these Vermonters get back on their feet.

The Administration recommends substituting ARPA funds for the \$40 million now appropriated to VHCB with general funds and invest substantially more ARPA funds in housing initiatives that were not included in the Senate-passed version of H.439. In total, these recommendations would:

- shift \$40,000,000 of initiatives funded with General Fund to ARPA; and
- invest an additional \$92,000,000 in ARPA-funded housing initiatives.

* * *

CONNECTIVITY

The Administration supports the \$101,080,000 of ARPA investments in broadband buildout included in the Senate-passed version of H.439. With 60,000 locations in Vermont currently without broadband, this investment is essential to bring fiber-to-the-home internet access at 100/100 Mbps to all underserved and unserved locations in Vermont. Clearly, this is a priority we share.

The funds appropriated in H.439 will support Vermont’s Communication Union Districts (CUDs) to



provide broadband access to underserved locations within their districts. This is truly transformational as it will finally allow us to address the digital inequities by building the necessary foundational infrastructure across all of Vermont.

We do want to ensure, however, that the Legislature’s broadband proposal in H.360, as yet unpassed by Senate Finance, includes \$500,000 for FiberConnect broadband internet service provided to 40 public libraries and their communities.

* * *

Administration Costs: Finally, H.439 as passed the Senate did not include support for the administration of the additional ARPA funds. The Administration requested \$6.5 million in FY22. We have learned from our experience with the Coronavirus Relief Funds (CRF) from 2020 that the U.S. Treasury’s guidance, granting and reporting requirements require significant additional administrative capacity, and these costs are likely eligible for ARPA. We request this addition before final passage of H.439.

* * *

ADDITIONAL FUND CHANGES

The Governor’s recommended FY22 budget utilized surplus General Fund revenue to make one-time investments to meet immediate needs. Several of the initiatives in H.439 represent important shared priorities and address short-term and immediate needs, such as grants to recovery centers, adult day care facilities, parent child centers, refugee resettlement support, and aid to the blind and visually impaired. Supporting Vermonters who need additional services to recover from the pandemic is critical and use of the one-time general fund surplus is appropriate. Further, general funds will be more readily available to meet these needs without the restrictions attached to the granting, reporting and eligibility work that will be required by ARPA funding, the details of which have not yet been released by the U.S. Treasury.

The General Fund is also a more appropriate funding mechanism for the IT investments originally proposed in the Governor’s budget. Some of these projects may not qualify for ARPA funding and the lack of certainty will hinder initiation. The same can be said of the ARPA funds directed to the Judiciary to recover and catch up from case backlogs resulting from the pandemic and the stabilization support for the Vermont State Colleges. With an infusion of one-time general funds, those needs will be more quickly and flexibly addressed leaving the ARPA funds for longer-term and transformative uses.

The Administration’s recommendation to substitute one-time General Fund surplus for several line items in the Senate passed budget detailed in Appendix A, are summarized below:

- shift \$133,500,000 of ARPA funded legislative initiatives to one-time general fund surplus;
- shift \$11,898,000 of ARPA funded initiatives to be funded using remaining Coronavirus Relief Funds; and
- reduce the FMAP reversion by \$22,000,000.



* * *

CONCLUSION

The fund transfers recommended above, and explained in more detail in the attachments, leave approximately \$12 million in the funds set aside in H.439 for pension reform in FY21. To this may be added the \$8.5 million savings from lower debt service payments. The Senate-passed version of H.439, however, anticipates at least \$85 million in additional FY21 surplus for appropriation in FY22. That surplus ought to be earmarked for the pension reserve and for appropriation to pension reform should the Legislature enact structural changes that need some one-time funds to implement. The Administration supports putting current law revenue to work in the FY22 budget and directing anticipated surplus revenue into the pension and ARPA reserves.

The Administration appreciates that the House and the Senate funded many of the initiatives in the Governor's recommended budget. We also appreciate that the Legislature and the Governor share many long-term priorities, as reflected in the substantial overlap of the Governor's submitted ARPA plan and the Senate's version of H.439.

We appreciate the continued collaboration and have confidence we will reach a resolution because there are sufficient funds to meet all our shared goals.

Sincerely,

Susanne Young
Secretary, Agency of Administration

CC: Senator Rebecca Balint, Senate President Pro Tempore
Senator Jane Kitchel, Chair, Senate Committee on Appropriations
Senator Ann Cummings, Chair, Senate Committee on Finance
Representative Jill Krowinski, Speaker, House of Representatives
Representative Janet Ancel, Chair, House Committee on Ways and Means
Representative Patricia McCoy, House Minority Leader
Senator Randy Brock, Senate Minority Leader
Stephen Klein, Chief Fiscal Officer, Joint Fiscal Office
Stephanie Barrett, Associate Fiscal Officer, Joint Fiscal Office
Adam Greshin, Commissioner, Department of Finance and Management
Governor's Cabinet



APPENDIX A

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ECONOMIC DEVELOPMENT AND RECOVERY

The Administration's recommendations to adjust sources of funding for economic development and recovery from the Senate-passed version of H.439 and Act 9 of 2021 (H.315) are detailed below. In summary, these recommendations:

- substitute \$38,200,000 in General Funds for initiatives currently funded with ARPA;
- substitute \$8,500,000 of ARPA funded items with one-time General Fund;
- substitute \$14,000,000 in ARPA funds for initiatives currently funded with General Funds; and
- invest an additional \$1,125,000 million of ARPA in an economic development initiative not yet funded in legislation.

Substitute \$38,200,000 in General Funds for initiatives currently funded with ARPA in H.439, as follows:

H.439 Section G.300:

- Vermont Department of Labor Apprenticeships - \$2 million
- Vermont Youth Conservation Corps youth employment initiative - \$1.85 million
- Vermont Student Assistance Corporation Advancement, Aspiration, Advance Vermont and 802 Opportunity Grants over the next two years - \$5.75 million
- Upskilling, degree completion, welcome home, critical occupation, and dental therapy programs at the Vermont State Colleges - \$12.4 million

H.439 Section G.302:

- Downtown transportation fund through the Agency of Transportation - \$1.5 million
- Working Lands Program at the Agency of Agriculture Food and Markets - \$2 million
- State Fairs through the Agency of Agriculture Food and Markets - \$500k
- Vermont Arts Council - \$1.15 million
- Microbusiness grant program through the Department for Children and Families - \$1.5 million
- Office of Engagement at the University of Vermont - \$1 million
- Agency of Commerce and Community Development appropriations for technology grants, 'Better Places' program, community challenge, BIPOC business development and the 'New Worker' and 'Remote Worker' initiatives - \$4.85 million

- The Department of Tourism and Marketing initiative to promote Vermont travel - \$2 million.

Substitute \$8,500,000 of ARPA funded items with one-time General Fund in Act 9 of 2021 (H.315) as follows:

Act 9 Section 3a:

- Microbusiness development fund at the Department for Children and Families - \$500k.

Act 9 Section 22 (a)(1):

- Working Lands Program - \$3 million.

Act 9 Section 22 (a)(2):

- ANR investments to improve recreational infrastructure and access on state lands - \$5 million.

Substitute \$14,000,000 of ARPA funds for the following initiatives currently funded with one-time General Funds in Act 9 of 2021 (H.315):

Act 9 Section 22. (b)(1):

- The Department of Environmental Conservation for brownfield remediation and environmental cleanup - \$14 million

Additional ARPA investments not included in the Senate passed bill:

- ANR Expedited Permitting for ARPA funded projects.

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CLIMATE CHANGE ACTION

The Administration's recommendations to adjust sources of funding for climate change action from the Senate-passed version of H.439 are detailed below. In summary, these recommendations:

- shift \$2,000,000 in ARPA funded initiatives to the General Fund; and
- invest an additional \$27,000,000 of ARPA to address climate change.

Substitute \$2,000,000 in General Funds for initiatives currently funded with ARPA in H.439, as follows

H.439 Section G.600 (a)(6) and (7):

- Department of Children and Families and the Agency of Transportation grant to Community Action Programs for the MileageSmart program and for Clean Energy coaches - \$2 million

Additional ARPA funding recommendations not included in the Senate-passed bill:

- \$7 million in additional weatherization funding through the Vermont Housing Finance Agency (VHFA) that is in addition to the Governor's FY 22 budget proposal that included



\$25 million in one-time General Fund for weatherization initiatives, including \$16 million to VHFA for the Vermont Warms program. The Senate funded this weatherization proposal at \$9 million and use of ARPA funds for this additional climate action initiative is appropriate.

- \$5 million for electric vehicle infrastructure.
- \$10 million for fuel switching/electrification incentives.
- \$5 million for hazard mitigation projects.

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ADDRESSING HOMELESSNESS AND BUILDING AFFORDABLE HOUSING

The Administration’s recommendations to adjust sources of funding to address homelessness and to build affordable housing from the Senate-passed version of H.439 are detailed below. In summary, these recommendations:

- shift \$40,000,000 of initiatives funded with General Fund to ARPA; and
- invest an additional \$92,000,000 in ARPA funded housing initiatives.

Substitute \$40,000,000 of ARPA funds for the initiatives currently funded with General Funds in H.439, as follows

H.439 Section G.400 (b)(1):

- Vermont Housing and Conservation Board for affordable housing initiatives - \$40 million

Additional \$92,000,000 of ARPA funding recommendations not included in the Senate passed bill:

- \$12 million to increase homeless shelter capacity.
- \$78 million additional to build rapid housing for homeless Vermonters and transition away from the hotel/motel voucher program run through the Economic Services Division.
- \$2 million for the new home building program.

* * *

CONNECTIVITY

The Administration’s recommendations to adjust sources of funding to address Connectivity are detailed below:

H.439 Section G.500:

- Add \$500,000 ARPA funds to the broadband buildout to fund the FiberConnect initiative which will ensure 40 public libraries and the communities in which they are located have access to high-speed internet service.

ADDITIONAL GENERAL FUND TRANSFERS

The Administration's recommendations to adjust sources of funding from ARPA in the Senate passed version of H. 419 and Act 9 of 2020 (H.315) are detailed below. In summary, these recommendations:

- shift \$133,000,000 of ARPA funded legislative initiatives to one-time general fund surplus;
- shift \$11,898,000 of ARPA funded initiatives to be funded using remaining Coronavirus Relief Funds;
- reduces the FMAP reversion by \$22,000,000; and
- remove \$20.5 million in ARPA funding for school-based initiatives that have other available federal funding

Substitute \$133,500,000 in General Funds for initiatives currently funded with ARPA in H.439, as follows:

H.439 Section G.200:

- Department of Disabilities, Aging and Independent Living for grants to adult day service providers - \$5 million.
- The Department of Mental Health to fund a mobile crisis intervention pilot program in Rutland - \$600k.
- The Department of Mental Health to make grants to recovery centers - \$300k
- The Department of Children and Families for grants to parent child centers - \$3.7 million
- The Agency of Education to make grants to local education agencies for locally grown food - \$500k

H.439 Section G.201:

- \$16.4 million to the Judiciary, State's Attorneys, Defender General, and Center for Crime Victim Services to facilitate reopening Vermont's courthouses.

H.439 Section G.301:

- \$53.2 million to the Vermont State Colleges, University of Vermont, and Vermont Independent Colleges for Covid-related costs and system revolution for the Vermont State Colleges.

H.439 Section G.500:

- \$1.8 million for the E911 stabilization fund.

H.439 Section G.501:

- \$52 million to the State Technology Modernization fund.

Substitute \$11,898,000 in Coronavirus Relief Funds (CRF) for initiatives currently funded with ARPA in Act 9 of 2020 (H. 315), and H.439 as follows:

Act 9 Section 6 – 9:

- \$300k to the Department of Mental Health for emergency outreach and grants to organizations supporting LGBTQ youth.
- \$4 million to the Department of Mental Health for housing supports for vulnerable Vermonters.
- \$850k to the Department of Mental Health for case management services.
- \$150k to the Department of Mental Health for workforce training and wellness supports.

Act 9 Section 9a:

- \$240k in supplemental grants to Vermont’s twelve recovery centers.

Act 9 Section 10:

- \$700k to the Agency of Human Services to support the Association of Africans Living in Vermont and Vermont’s refugee resettlement programs.

Act 9 Section 11:

- \$1.3 million to the Department for Children and Families to distribute to families participating in Reach Up.

Act 9 Section 12:

- \$1.376 million to the Vermont Food Bank for the Vermont Farmers to Vermont Families Food Box Program for January and February of 2021.
- \$82k to the Vermont Food Bank for statewide provision of diapers.

Act 9 Section 13 :

- \$100k to the Department of Disabilities, Aging and Independent Living to be granted to the Association for the Blind & Visually Impaired.

H.439 – as passed by the Senate:

H.439 Section G.200:

- \$300k in supplemental grants to Vermont’s twelve recovery centers.
- \$1 million to the Department for Children and Families to grant to the Vermont Food Bank.

H.439 Section G.302:

- \$1.5 million to the Department for Children and Families for microbusiness development funding through the Economic Micro Business Recovery Assistance (EMBRACE) program.

Reduce the FMAP reversion in section D.104 of H. 439 as passed the Senate from \$66 million to \$44 million

Based on current information regarding the Federal policy on Federal Medical Assistance Percentage,



it is reasonable to believe the 6.2 percent bump to states will continue through calendar year 2021. There is insufficient information to safely assume that will continue into 2022 (the third quarter of FY22) as reflected in section D.104.

Remove \$20.5 million in ARPA funding for school-based initiatives that have other available federal funding

Act 9 included \$15 million in ARPA appropriations for school heating/air conditioning and ventilation (HVAC) and \$5.5 million for schools' summer meals programs. However federal funding has been extended for this latter initiative. And school districts will receive more than \$400 million in emergency relief funds over the next three years that they can use for these capital initiatives. We recommend removing the appropriations in Section 15 and Section 16 (b) of Act 9.

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ARPA Fund Change Recommendations

Appendix B to Administration's Letter to Representative Hooper, May 4, 2021

Ref. No.		Governor ARPA Plan FY22	Governor ARPA Plan FY22-25 Total	Senate ARPA	Gov Rec ARPA	Gov Rec GF	Gov Rec CRF	Comments
1	Economic Recovery Bridge Grants	50,000,000	50,000,000	30,000,000	30,000,000			H.315 and H.439
2	Capital Investments Grants Program	30,000,000	90,000,000	11,000,000	11,000,000			H.439 for projects identified by RDCs and RPCs
3	Expedited permitting, ARPA Projects	1,125,000	3,000,000		1,125,000			
4	Working Lands			5,000,000		5,000,000		H.315 and H.439
5	AAFM for state fairs and field days			500,000		500,000		H.439
6	State lands Recreational Infrastructure			5,000,000		5,000,000		H.315
7	Brownfields revitalization			11,000,000	11,000,000			H.439
8	DEC Brownfields cleanup/remediation				14,000,000	(14,000,000)		H.315
9	Downtown Transportation Fund			1,500,000		1,500,000		H.439
10	VT Arts Council			1,150,000		1,150,000		H.439
11	UVM - TBED			1,000,000		1,000,000		H.439 - Office of Engagement, TBED
12	ACCD - technology grants			800,000		800,000		H.439
13	ACCD - Better Places			1,000,000		1,000,000		H.439
14	ACCD - Community Challenge grants			1,900,000		1,900,000		H.439
15	ACCD - BIPOC business grants			150,000		150,000		H.439
16	ACCD - New Worker program			1,000,000		1,000,000		H.439 - consolidate New Worker and Remote Worker programs
17	ACCD - VDTM			2,000,000		2,000,000		H.439
18	VSC/UVM/VSAC workforce upskill			8,200,000		8,200,000		H.315
19	UVM - research grants			1,000,000		1,000,000		H.439 - for COVID research
20	VSC			12,400,000		12,400,000		H.439 - for education incentives, course completion, returning students
21	VSAC			5,750,000		5,750,000		H.439 - for Advancement grants, Aspiration grants and 802 Opp. Grants, over 2 years
22	VDOL apprenticeships			2,000,000		2,000,000		H.439
23	FPR for VYCC			1,850,000		1,850,000		H.439 - to create service learning program for youth
	Total Economic Development	81,125,000	143,000,000	104,200,000	67,125,000	38,200,000	-	
24	EV infrastructure	5,000,000	25,000,000		5,000,000			
25	Weatherization	5,500,000	21,000,000	20,000,000	27,000,000			H.439 - to DCF-OEO, VHFA and EVT - change VHFA from \$9M to \$16M
26	Fuel switching/electrification incentives	10,000,000	29,000,000		10,000,000			Gov ARPA Plan includes \$8.5M approp. plus \$1.5M transfer to CEDF
27	Hazard mitigation projects	5,000,000	25,000,000		5,000,000			
28	Public Service - Community Renewables			9,000,000	9,000,000			H.439
29	CAPS - Coaching and MileageSmart			2,000,000		2,000,000		H.439, over 3 yrs
30	VT Climate Action Plan		100,000,000					
	Total Climate Action	25,500,000	200,000,000	31,000,000	56,000,000	2,000,000	-	

Ref. No.		Governor ARPA Plan FY22	Governor ARPA Plan FY22-25 Total	Senate ARPA	Gov Rec ARPA	Gov Rec GF	Gov Rec CRF	Comments
31	Stormwater retrofits	10,000,000	75,000,000	10,000,000	10,000,000			
32	Village/municipal wastewater pretreatment	10,000,000	35,000,000	10,000,000	10,000,000			
33	CSO abatement	10,000,000	30,000,000	10,000,000	10,000,000			
34	Dam Safety	5,000,000	15,000,000	5,000,000	5,000,000			
35	Healthy Homes (water systems)	5,000,000	15,000,000	5,000,000	5,000,000			
36	DEC - future water projects			30,000,000	30,000,000			
37	Clean Water Fund			30,000,000	30,000,000			H.439 - \$10m in FY22, \$20m in future yrs.
38	Capital bill water projects			15,000,000	15,000,000			H.439 - reserve in H.438 for replacement with ARPA
	Total Clean Water	40,000,000	170,000,000	115,000,000	115,000,000	-	-	
39	Shelter capacity increase	12,000,000	12,000,000		12,000,000			Gov ARPA Plan is for grants to VHCB ; Senate uses \$36m ERAP
40	Rapid housing for homeless	90,000,000	90,000,000	12,000,000	90,000,000			H.439. Senate also uses \$15m ERAP for rental assistance.
41	Affordable/mixed income housing development	20,000,000	90,000,000		40,000,000	(40,000,000)		H.439
42	VHIP for rental units	5,000,000	15,000,000	5,000,000	5,000,000			H.439
43	New home building program	2,000,000	42,000,000		2,000,000			Gov ARPA Plan is for appropriation to DHCD
44	ACCD for RPCs			1,500,000	1,500,000			H.439 - for zoning and bylaws updates
	Total Housing	129,000,000	249,000,000	18,500,000	150,500,000	(40,000,000)	-	
45	Broadband deployment (CUDs)	80,000,000	225,000,000	101,800,000	101,800,000			H.315 and H.439. Puts another \$50m in reserve if needed.
46	FiberConnect	500,000	500,000					
47	State telecom plan	10,000,000	25,000,000					
	Total Broadband	90,500,000	250,500,000	101,800,000	101,800,000	-	-	
48	New Americans, Refugees, Immigrants			700,000			700,000	H.315
49	Reach Up Program grants			1,300,000			1,300,000	H.315
50	Vermont Assoc. for the Blind			100,000			100,000	H.315
51	DAIL - Adult Days			5,000,000		5,000,000		H.439 - to maintain program infrastructure
52	DCF - Vermont Food Bank			2,458,000			2,458,000	H.315 and H.439
53	AOE for Local food			500,000		500,000		H.439
54	DCF - Microbusiness Development			2,000,000		500,000	1,500,000	H.315 and H.439 - DCF OEO, EMBRACE
55	DCF - Parent Child Centers			3,700,000		3,700,000		H.439 - for capital and program improvements
56	Emergency Outreach to Peer-Support & LGBTQ			300,000			300,000	H.315
57	Urgent Case Management Services			850,000			850,000	H.315
58	Mental Health Workforce Training and Wellness			150,000			150,000	H.315
59	DMH Housing Support			4,000,000			4,000,000	H.315
60	DMH - Mobile units			600,000		600,000		H.439
61	VDH Recovery Centers			540,000			540,000	H.315 and H.439 - \$45k to 12 ctrs
62	School HVAC Grant Program			15,000,000				H.315 - recommends ESSER funding for LEA's
63	AOE Summer Meals			5,500,000				H.315 - redundant due to federal funding extension
	Total Human Services	-	-	42,698,000	-	10,300,000	11,898,000	

Ref. No.		Governor ARPA Plan FY22	Governor ARPA Plan FY22-25 Total	Senate ARPA	Gov Rec ARPA	Gov Rec GF	Gov Rec CRF	Comments
64	Judiciary			9,000,000		9,000,000		H.439 - for recovery and reopening, over 2 years
65	States Attorneys			3,300,000		3,300,000		H.439 - for recovery and reopening, over 2 years
66	Defender General			2,700,000		2,700,000		H.439 - for recovery and reopening, over 2 years
67	Ctr for Crime Victim Services			1,400,000		1,400,000		H.439 - Domestic Violence Network and Victims' Compensation
	Total Justice	-	-	16,400,000	-	16,400,000	-	
68	UVM			2,200,000		2,200,000		H.439 - replace room and board from COVID
69	VSC			41,000,000		41,000,000		H.439 - deficit, transformation
70	Independent Colleges			10,000,000		10,000,000		H.439
	Total Higher Education Stabilization	-	-	53,200,000	-	53,200,000	-	
71	E911 Fund			1,800,000		1,800,000		H.439
	Total Revenue Replacement	-	-	1,800,000	-	1,800,000	-	
72	Technology			52,000,000		52,000,000		H.439
73	Administration of ARPA initiatives	6,500,000	17,000,000	950,000	7,450,000			H.315 - VLCT/RPCs Assistance to Local Gov'ts
	TOTAL APPROPRIATIONS	372,625,000	1,029,500,000	537,548,000	497,875,000	133,900,000	11,898,000	
	Revenue Changes:							
74	Meals & Rooms Tax Diversion					10,000,000		Strike M&R tax diversion from Clean Water to GF
75	Remove 3rd Qtr FMAP enhancement FY2022					22,000,000		3rd qtr. FMAP enhancement (12/31/21-3/30/22) is uncertain
	TOTAL WITH REVENUE CHANGES				497,875,000	165,900,000	11,898,000	
76	ARPA eligibility reserve					(28,000,000)		Reallocate for appropriations moved from ARPA to GF
77	Pension reserve					(137,900,000)		Reallocate \$137.9M of \$150M reserve for appropriations moved from ARPA to GF
	GF Balance					-		