



February 17, 2021

House Appropriations Committee
115 State Street
Montpelier, VT 05602

To the Members of the House Appropriations Committee,

Thank you for your tireless efforts this virtual session and throughout this pandemic, working in service of Vermonters trying to navigate these trying times. The below 17 organizations write today to share with the committee our joint priorities within the FY22 budget, many of which support the significant commitment Governor Scott has made in service of money-saving, health-improving, climate beneficial investments. Our goal in supporting these programs and initiatives is to promote a just pandemic recovery that benefits Vermont's people, local businesses, the state's economy, and its environment through sustainable, equitable, and strategic investment in our communities.

As your committee considers these and other budget requests we urge you to prioritize the needs of the most vulnerable especially including, but not limited to, BIPOC Vermonters and Vermonters with low incomes, looking at Vermont's budget as a whole, and individual items within the budget, through a lens of racial equity and combating inequity more broadly. We also hope to see continued innovation and progress in the fight for equity by the Departments, Agencies, and other entities that receive funds, with that same lens applied to program implementation, and funds dedicated to advancing those efforts. Translations and translation services delivered in an accessible manner, dedicated outreach to BIPOC and other often underserved and underrepresented communities - these kinds of efforts are critical across state government, and are especially crucial as Vermont addresses the acute needs around pandemic response.

We recognize that there are incredible needs on many fronts that must be served by the State as a result of the pandemic and the resulting economic crisis, and we believe that the investments outlined below fit well into a response and recovery framework.

Housing and Weatherization

Governor Scott proposed investing \$20 million to weatherize Vermonters' homes, saving households money on their monthly heating bills, putting people to work in good-paying jobs, and making homes healthier, all while cutting our climate pollution. **We support this \$20M for weatherization.** It is an important down payment towards the needed \$1.2 billion required to weatherize an additional 120,000 low- and moderate-income homes over the next decade, in service of reducing climate pollution and avoiding over \$1 billion in fossil fuel costs. These one-time funds should be used as efficiently as possible, supporting existing programs that have proven to be effective, while also supporting innovative new financing mechanisms. Organizations like the Community Action Agencies, NETO, NWWVT, and VSECU all have proven programs that have helped weatherize more homes and help grow the workforce needed to perform this important work.

The Governor also proposed a \$5 million increase in funding for the State Energy Management Program (SEMP) to help towns make efficiency upgrades that will save taxpayers money while cutting carbon pollution. **Our organizations support the \$5M for SEMP,** provided that it is truly additional and does not reallocate funding that would have otherwise gone to other existing efficiency programs.

Our organizations also support the Governor's budget request for the Vermont Housing and Conservation Board, at \$34.8 million, including \$20 million in one-time investments, \$10.8 million from the Property Transfer Tax, and \$4 million in the Capital Bill. The COVID-19 pandemic has highlighted the need for more affordable housing in communities across Vermont. Having a safe, affordable home is critical for Vermonters to stay safe during the pandemic and for Vermont's long-term recovery from the economic devastation it has wrought. You can't stay safe at home unless you have a home. VHCB-funded housing is developed to high energy efficiency standards and according to smart growth principles. Conservation projects preserve our working landscape, promote best environmental practices on conserved farms, and help sequester carbon through best forest management practices. VHCB is a climate action solution.

We also support **the Governor's proposal to increase the Mobile Home Tax Credit, and \$4 million for the Vermont Housing Investment Program (VHIP), including \$1 million to help Vermonters purchase and repair homes, with a focus on assisting BIPOC Vermonters in doing so.**

Transportation

We are in communication with the House Transportation committee on these issues, but wanted to share our priorities with these committees as well. In the era of COVID 19, it is vital that we modernize our transportation system in a way that saves money for Vermonters, makes reliable transportation more accessible, meets Vermont's climate goals, and is in line with Vermont's Comprehensive Energy Plan. We also recognize that too often, climate solutions within the transportation arena have focused on mechanisms only readily available to high-income households. Investments made in recent years - the creation of MileageSmart and the income-targeted state EV incentive, fare-free transit - have prioritized equity while advancing climate action. We were very happy to see that work continue in both the House's Transportation Modernization Act (H.94), a priority House bill, and the Governor's proposal.

Both the Transportation Modernization Act and the Governor's recommendations work to address transportation inequities, making reliable, affordable transportation accessible for more Vermonters, and the climate crisis as well, by building substantially on the good work this legislature and the Scott Administration have done in recent years. Aspects of both H.94 and the Governor's proposed budget are critical to these combined goals. Our organizations urge you to support:

- \$5.5 million for the **Downtown Transportation Fund**.
- **\$600,000 for the MileageSmart** program and **\$250,000 for financial counselors at the Community Action Agencies** to assist low-income Vermonters access this and other important programs.
- At least **\$4.3 million to advance electric vehicles**, including funding the EV Incentive Program, educational efforts, charging infrastructure, and salesperson incentives.
- \$1.5 million for the proposed **Replace Your Ride Program**.
- \$5 million for the **Better Places Program**.
- \$1.2 million for the **Mobility and Transportation Innovation (MTI) Grant Program**.
- The creation and funding of a state **e-bike incentive** program.

The Governor's proposed budget also includes **\$42.8 million for public transit**, including substantial FTA Covid Relief Funds. H.94 proposes \$2.7 million to fully fund fare-free public transit. At this point it is unclear to us whether the Governor's proposed budget would ensure fare-free transit statewide; if it does not, we suggest this funding be provided. As part of the public transit budget, the Governor's proposal also includes \$16.5 million to purchase replacement buses and other transit vehicles, including seven electric buses. We appreciate this as an important step in building on the state's Electric School and Transit Bus Pilot Program, and urge you to support it.

Lastly, we're supportive of additional bike and pedestrian infrastructure investments. Sustainable transportation options can only succeed with the proper infrastructure, and designs that make roads safer for non-drivers. In Vermont, we know there is a demand for a broader range of investments for bike and pedestrian infrastructure. With more than half the proposed funding in this area going to a single project, we urge the legislature to make additional investments in bicycle and pedestrian facilities across the state.

Renewable Energy

We are also glad to see the Governor prioritizing investments in renewable energy targeted to low- and moderate- income Vermonters, as our organizations have repeatedly advocated for. We know that the House Committee on Energy and Technology will vet the details of the Governor's proposal for **\$10 million in funding to the Clean Energy Development Fund (CEDF)**. We support this funding and it being directed to the CEDF, and suggest that it incorporate resilient renewables for low and moderate income households, such as micro-grids and battery backup.

If implemented, we will also urge the Clean Energy Development Board to ensure that these funds support investments that benefit renters, not just homeowners. The net metering program is functionally unavailable to renters, a situation our organizations have called for remedying; this investment provides a unique opportunity to at least partially address that situation.

Office of Racial Equity

We strongly support additional **funding for the Office of Racial Equity**, specifically for the Director to adequately staff and resource the essential work of anti-racism and the broader, intersectional equity work that the Director has pursued in our state. The presence and involvement of the Office of Racial

Equity in all aspects of pandemic recovery is essential to build back while correcting historical and current structural racism. However, this office has not been effectively resourced to engage in this work throughout the state of Vermont.

Broadband

In the midst of a global pandemic in which now, more than ever, the fabric of our society -- from accessing vital benefits to education and democratic participation -- is dependent upon access to broadband technology, we must ensure that we invest in internet accessibility for all Vermonters. Therefore, **we support the proposed \$19.9 million for broadband**. It is critical that the investments made with this \$19.9 million prioritize advancing community solutions that are future-proof, equitable, and commensurate with the needs of all Vermonters.

We appreciate your consideration of these requests and recognize that there's more work to be done to meet the needs of Vermonters during these unprecedented times. Recovering from the COVID-19 crisis, uprooting inequity and systemic racism, equitably building out modern infrastructure to our whole state, responding to the climate crisis - the challenges facing our little state are many and complex. Solving them will require innovation, research, and intentional community outreach driven by our shared goal of creating a brighter, more equitable, and sustainable Vermont. Our organizations look forward to working with you, the legislature, and the Scott Administration to build on these and other initiatives as we move forward.

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