

******* AMERICAN RESCUE PLAN APPROPRIATIONS*******

*****Intent and Other Funding*****

Sec. G. 100 Investing the for all Vermonters

(a) The American Rescue Plan Act (ARPA) was enacted on March 11, 2021 and includes a \$1.05 billion grant of flexible aid for Vermont to be spent over the next four years. With these funds, and other federal or state funds the General Assembly recognizes an unprecedented opportunity to strengthen Vermont’s economy and communities and make long term investments that support all Vermonters.

(b) Appropriations of ARPA Coronavirus State Fiscal Relief Funds available in fiscal year 2022 are made in the following sections by categorical areas. In some cases, onetime state General Funds or other APRA funding sources are included for specific programs or projects providing comprehensive funding by category. All appropriations of ARPA funding in this act are made to the extent permitted by federal law and guidance. The appropriations below are summarized as follows:

(1) ARPA Coronavirus State Fiscal Relief Funds	\$XXXXXXX
(2) General Funds	\$XXXXXXX
(3) Other ARPA funds	\$XXXXXXX
TOTAL	\$XXXXXXX

(c) Federal legislation providing additional funding for infrastructure investments is anticipated to be enacted in the fall of 2021. It is the intent of the General Assembly that appropriation of the remaining \$XXXXXXX of ARPA Coronavirus State Fiscal Relief Funds be made during the 2022 legislative session in the context of potential additional federal infrastructure funding and other federal funding, as well the updated forecast of available state funds at that time. To the extent that additional federal funding is available to the state prior to the 2022 legislative session that can offset unexpended fiscal year 2022 ARPA Coronavirus State Fiscal Relief Funds appropriations, the Commissioner of Finance and Management shall provide a report to Joint Fiscal Committee by November 15, 2021 on such offsets under consideration for inclusion in the fiscal year 2022 Budget Adjustment Act. The intent of the appropriations below is to enable foundational investments that will transform and strengthen Vermont’s economy and communities and support all Vermonters.....

***** Health, Well-being and Justice Investments*****

Sec. G.200 INVESTMENTS FOR THE HEALTH AND WELL-BEING OF VERMONTERS

(a) \$11,100,000 in fiscal year 2022 is appropriated from ARPA Coronavirus State Fiscal Relief Funds as follows:

(1) \$5,000,000 to the Department of Disabilities, Aging, and Independent Living to be used for grants to currently existing adult day service providers to support operating costs, program infrastructure, and COVID-related costs On or before each quarter of fiscal year 2022 (July 1,

2021, October 1, 2021, January 1, 2022, and April 1, 2022), the Vermont Association of Adult Day Services shall provide a spreadsheet to the Department detailing the amount of grants needed by each program for each quarter. This appropriation may be adjusted to the extent that the Department, in coordination with the Agency of Human Services, determines that funding from the Global Commitment can be substituted as a result of the increased federal match of 10 percent in ARPA for home and community-based services. The Department and the Agency of Human Services shall report to the Joint Fiscal Committee at the July or September meetings on the status of any such substitution. Any amount of this appropriation remaining at the end of fiscal year 2022 shall be carried forward and shall be used to support operating costs, program infrastructure, and COVID-related expenses. DAIL shall work with community partners to seek organizations interested in opening an Adult Day Center in the underserved regions where Adult Day Centers closed during the COVID-19 pandemic and shall request funding in the fiscal year 2022 budget adjustment process to provide restart grants.

((2) \$600,000 to the Department of Mental Health to fund a pilot mobile crisis intervention program in Rutland. It is the intent of the legislature that any continuation of this pilot program or expansion of the program to other areas of the state be designed and implemented in a manner that meets the requirements to draw federal Medicaid funding for these services as specified in ARPA.

(3) \$300,000 to the Department of Health to make grants of \$25,000 to cover the financial impacts of the ongoing COVID-19 pandemic at each of the recovery centers statewide.

(4) \$3,700,000 to the Department of Children and Families for onetime grants to Parent Child Centers to for capital and program improvements

(5) \$1,000,000 to Department of Children and Families for a grant to the Vermont Foodbank to purchase food.

(6) \$500,000 to the Agency of Education/Agriculture to make grants to local education agencies for the purchase of local produced foods.

Sec. G.201 JUSTICE SYSTEM INVESTMENTS

(a) \$16,400,000 in fiscal year 2022 is appropriated from ARPA Coronavirus State Fiscal Relief Funds as follows:

(1) \$9,000,000 to the Judiciary for pandemic recovery response and justice system reopening in fiscal years 2022 and 2023.

(2) \$3,300,000 to the Department of State's Attorneys for pandemic recovery response and justice system reopening in fiscal years 2022 and 2023.

(3) \$2,700,000 to the Office of the Defender General for pandemic recovery response and justice system reopening in fiscal years 2022 and 2023.

- (4) \$1,400,000 in fiscal year 2022 to the Vermont Center for Crime Victims Services:
 (A) \$200,000 shall be used for grants the Domestic Violence Network for pandemic recovery response, and
 (B) \$1,200,000 shall be used in manner consistent with the Victims Compensation Fund (#21145).

***** Workforce Development, Stabilization of Higher Education and Economic Development Investments*****

Sec. G.300 WORKFORCE INVESTMENTS

- (a) \$23,000,000 is appropriated from ARPA Coronavirus State Fiscal Relief Funds as follows:

(1) \$2,000,000 in fiscal year 2022 to the Department of Labor for apprenticeship programs.....

(2) \$1,850,000 in fiscal year 2021 to the Department of Forests, Parks and Recreation to be granted to the Vermont Youth Conservation Corps to establish a Vermont Serve, Learn, & Earn program with other community partners to create meaningful paid service and learning opportunities for young adults beginning in the Summer and Fall of 2021 . These funds shall carryforward into fiscal year 2022.

(MAKE THIS SUBDIVISION EFFECTIVE ON PASSAGE)

(3) \$1,000,000 in fiscal year 2022 to the University of Vermont for matching funds for research grant opportunities related to Covid-19.

(4) \$5,750,000 in fiscal year 2022 to the Vermont Student Assistance Corporation for the following programs:

- (A) \$1,000,000 for advancement grants in fiscal years 2022 and 2023
- (B) \$600,000 for aspiration grants in fiscal years 2022 and 2023
- (C) \$3,800,000 for 802Opportunity grants in fiscal years 2022 and 202, and
- (D) \$350,000 for a onetime investment in the AdvanceVT program to assist Vermonter seeking credentialing information and opportunities.

(5) \$12,400,000 in fiscal year 2022 to the Vermont State Colleges for the following programs:

(A) \$2,000,000 to provide funding for up to six credits or two courses in the 2022-2023 academic year, including wraparound services, for Vermonters whose employment was impacted by the COVID-19 public health emergency since March 13, 2020.

(B) \$3,000,000 to provide degree completion scholarships for up to 30 credits towards a credential of value for adult learners who have earned at least 40 credits towards an undergraduate degree and have a gap in attendance of at least two years.

(C) \$2,000,000 to provide welcome home scholarships of \$5,000 per year or \$2,500 per semester for full-time students enrolled for 12 or more credits, or \$3,000 per year or \$1,500 per semester for part-time students, to Vermonters transferring from out-of-state institutions or returning to school after exiting in 2020–2021. This program’s mission is to incentivize students to come home to Vermont by transferring to VSCS institutions and to complete their degree if they left school without finishing in 2020–2021.

(D) \$5,000,000 to provide free last dollar tuition for one year of undergraduate studies for critical occupation careers, including bookkeeping certificate, IT service desk specialist certificate, certified production technician, graphic design certificate, software and web development program, electrical and plumbing apprenticeships, dental hygiene, certificate in accounting, small business management, radiologic science, and respiratory therapy. \$1,000,000 of these funds shall be allocated for paramedic/EMS programs. Funds may be used for practical nursing, childcare, nursing, and mental health counseling programs only after funding from other sources for these occupations are exhausted.

(E) \$400,000 for start-up cost for the Dental Therapy program.

Sec. G.301 STABILIZATION OF HIGHER EDUCATION INVESTMENTS

(a) \$53,200,000 in fiscal year 2022 is appropriated from ARPA Coronavirus State Fiscal Relief Funds as follows:

(1) \$41,000,000 to the Vermont State Colleges, for the following

(A) \$21,000,000 for pandemic related deficits from revenue loss and increased operating expenses.

(B) \$20,000,000 for system transformation over the next 4 years, \$8,000,000 of which will be utilized in fiscal year 2022.

(2) \$2,200,000 to the University of Vermont to offset the impact from level room and board fees.

(3) \$10,000,000 to the **Secretary of Education/Secretary of Administration** to fund needed pandemic recovery efforts at Vermont’s independent higher education institutions.

(A) Prior to any expenditure under this appropriation, the Secretary shall develop a plan through meaningful consultation with stakeholders, including, but not limited to, the higher education community, the business community, the workforce training community; the Regional Planning Commissions, other entities concerned with higher education. This plan shall consider the various needs of the institutions, the availability of alternative resources and the economic contribution that they make to Vermont.

(B) The Department shall also provide the public the opportunity to provide input and take such input into account when allocating the funding.

(C) A status report on the funding allocation shall be provided to the Chairs of the House and Senate Education Committees, and to the Joint Fiscal Committee at the Joint Fiscal Committee's July meeting.

Sec. G.302 ECONOMIC DEVELOPMENT INVESTMENTS

(a) \$56,500,000 in fiscal year 2022 is appropriated from ARPA Coronavirus State Fiscal Relief Funds as follows:

(1) \$1,500,000 to the Agency of Transportation to be used in the same manner as the Downtown Transportation and Related Capital Improvement established by 24 V.S.A. § 2796.

(2) \$11,000,000 to the Agency of Commerce and Community Development to be used in the same manner as the Brownfields Revitalization Fund established by 10 V.S.A. § 6654.

(3) \$2,000,000 to the Agency of Agriculture, Food and Markets for grants through the Working Lands Program.

(4) \$500,000 to the Agency of Agriculture, Food and Markets for grants to state fairs and field days organizations

(5) \$1,150,000 to the Vermont Council on the Arts for technical assistance for cultural and arts organizations to enhance digital presence

(6) \$11,000,000 to the Department of Economic Development to fund priority capital projects across the state as identified by the Regional Development Corporations and/or Regional Planning Commissions.

(7) \$20,000,000 to Agency of Commerce and Community Development for grants.

(8) \$1,500,000 to the Department for Children and Families, 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 Vermont microbusiness owners impacted by COVID-19 and for new businesses started by individuals who have been impacted by the COVID-19 pandemic through layoffs, furloughs, reduced hours, or due to being employed in an industry that has been severely affected.

(9) \$1,000,000 to the University of Vermont Office of Engagement to design and implement a technology-based economic development program.

(10) \$800,000 to the Agency of Commerce and Community Development for technology related grants.

(11) \$1,000,000 is appropriated to the Agency of Commerce and Community Development for a Better Places grant program.

(12) \$1,900,000 to Agency of Commerce and Community Development for Community Challenge grants.

(13) \$150,000 to the Agency of Commerce and Community Development BIPOC grants.....

(14) \$1,000,000 is appropriated to the Agency of Commerce and Community Development to award grants in a single new worker program. It is the intent of the General Assembly to consolidate into a single program the funding and activities of both the New Remote Worker Grant Program created in 2018 Acts and Resolves No. 197, Sec. 1, as amended by 2019 Acts and Resolves No. 80, Sec.15, and the New Worker Relocation Incentive Program created by 2019 Acts and Resolves No. 80, Sec. 12.

(15) \$2,000,000 to the Department of Tourism and Marketing to promote Vermont's travel, recreation, culinary, arts, culture, agritourism, and heritage experiences to attract visitors, and stimulate visitor spending with local attractions and small businesses in rural communities and throughout the State.

(b) \$1,200,000 in fiscal year 2022 is appropriated from the General Fund as follows:

(1) \$300,000 to the Agency of Commerce and Community Development to a two year contract with a foreign trade representative.

(2) \$900,000 to the Agency of Commerce and Community Development to fund the Entrepreneurs' Seed Capital Fund to provide risk stage seed capital to Vermont businesses that have experienced economic disruption either through reduced business, new business formation, or through an unmanageable increase in new business due to the COVID-19 crisis.

*****Addressing Homelessness, Housing Insecurity and
Increasing the Stock of Low- and Moderate-Income Housing *****

Sec. G. 400 HOUSING AND HOMELESSNESS RELATED INVESTMENTS

(a) \$18,500,000 in fiscal year 2022 is appropriated from ARPA Coronavirus State Fiscal Relief Funds as follows:

(1) \$12,000,000 to Vermont Housing Conservation Board to increase shelter capacity to organizations which support homeless Vermonters. This allocation is designed for those populations who may be displaced from the hotel/motel voucher program. Vermont Housing and Conservation Board shall distribute these funds in consultation with the Secretary of the Agency of Human Services.

(2) \$5,000,000 to the Agency of Commerce and Community Development for the Vermont Housing Incentive Program (VHIP)

(3) \$1,500,000 to the Agency of Commerce and Community Development. These funds shall be granted to the Regional Planning Commissions (RPC) to assist communities in updating zoning and bylaws; a minimum grant of \$75,000 shall be provided to each RPC.

(b) \$91,000,000 is appropriated from other funds as follows:

(1) \$40,000,000 in fiscal year 2021 is appropriated from the General Fund to the Vermont Housing and Conservation Board for affordable housing initiatives. These funds shall carryforward into fiscal year 2022 and are in addition to funding provided to VHCB in Act 9 (H.315) of 2021. **(MAKE THIS SUBDIVISION EFFECTIVE ON PASSAGE)**

(2) \$36,000,000 of funds reserved by motion passed on February 11, 2021 by the Joint Fiscal Committee accepting the Consolidated Appropriations Act, 2021 (Pub. L. No. 116-260) Emergency Rental Assistance Program grant is appropriated in fiscal year 2022 to the Department for Children and Families to implement the Emergency Housing Assistance Program in fiscal year 2022.

(3) \$15,000,000 in fiscal year 2022 is appropriated from funds received from the American Rescue Plan Act, 2021 (Pub. L. No. 117-2) Emergency Rental Assistance Program to the Department for Children and Families to supplement, continue and/or extend the Rental Assistance Program for Reach Up families as permissible by the Emergency Rental Assistance Program.

***** Broadband Connectivity and Technology Modernization Investments*****

Sec. G. 500 BROADBAND CONNECTIVITY INVESTMENTS

(a) \$101,800,000 from ARPA Coronavirus State Fiscal Relief Funds as follows:

(1) \$100,000,000 is appropriated in fiscal year 2022, from the ARPA State Fiscal Relief Fund consistent with H.360 in order to support and accelerate the state's goal of achieving universal access to reliable, high-quality, affordable broadband. It is the intent of the General Assembly that an additional amount of up to \$50,000,000 be provided for statewide connectivity in fiscal year 2023 through fiscal year 2025 from this source or other state or federal funds which may become available.

(2) \$1,800,000 is appropriated in fiscal year 2021 to the E-911 Board for replace revenues anticipated to be available in the E-911 special fund. Half of this appropriation is intended to carryforward to fiscal year 2022. **(MAKE THIS SUBDIVISION EFFECTIVE ON PASSAGE)**

Sec. G. 501 STATE TECHNOLOGY MODERNIZATION INVESTMENTS

(a) \$52,000,000 in fiscal year 2022 from ARPA Coronavirus State Fiscal Relief Funds as follows:

(1) \$24,500,000 to the Department of Motor Vehicles to complete the first phase of the DMV IT system replacement of the 40-year-old mainframe applications;

(2) \$1,100,000 to the Department of Environmental Conservation for the second phase of the permit navigator - citizen facing permit portal;

(3) \$500,000 to Natural Resource Board for phase 2 of the Act 250 online application and database project - moving Act 250 services online;

(4) \$12,800,000 to Agency of Administration for a Human Capital Management ERP upgrade - replacement of the HR system that tracks employee information, timesheets, and contracts, including a VANTAGE budget system upgrade and interface with the new HR system;

(5) \$1,500,000 to Agency of Digital Services cybersecurity – core infrastructure replacement and router replacements for public safety connections to the municipalities;

(6) \$1,000,000 to Agency of Commerce and Community Development (ACCD) for Salesforce grant management system – transitioning ACCD from an unwieldy grants program to a centralized grants system;

(7) \$1,700,000 to States' Attorneys and Sheriffs (SAS) for case management system - needed upgrade to SAS case management software;

(8) \$140,000 to the Defender General to complete a case management system upgrade;

(9) \$250,000 to the Secretary of State for completion of the Vermont Business Portal to provide digital access for Vermont-based businesses to at least four State agencies;

(10) \$4,500,000 to VDOL, of which \$3,500,000 is allocated for phase one of the UI modernization to begin replacement of mainframe applications for unemployment insurance; and \$1,000,000 is allocated for the Joblink replacement to coordinate activities between ACCD and VDOL to better serve Vermonters. These funds shall be released only after approval of the Joint Information Technology Oversight Committee (JITOC). The JITOC is requested to review the breadth of scope, appropriateness of the proposed technology, experience record of the proposed vendor, reliability of the cost estimate, availability of dedicated department personnel for implementation and operation, and the proposed schedule and scope of future phases, where appropriate. The JITOC evaluation shall consider information provided by the Agency of Digital Services and an outside technical resource.

(11) \$4,010,000 to the Agency of Education for data systems related to licensing management, dual enrollment vouchers and adult education and literacy programs.

(b) \$14,000,000 is appropriated from the General Fund in fiscal year 2022 as follows:

(1) \$4,500,000 to the Department for Children and Families for Bright Futures Information System replacement, and

(2) \$9,500,000 to Agency of Human Services IE project - Integrated Eligibility replaces Access.

***** Weatherization and Other Climate Change Mitigation Investments *****

Sec. G. 600 CLIMATE ACTION INVESTMENTS

(a) \$31,000,000 in fiscal year 2022 is appropriated from ARPA Coronavirus State Fiscal Relief Funds to be appropriated consistent with the Energy Savings Fund criteria established in 30 V.S.A. §35, as follows:

(1) \$4,000,000 to the Department for Children and Families, Office of Economic Opportunity, Home Weatherization Assistance Program to be used in fiscal year 2022 and fiscal year 2023. Up to \$150,000 of these funds may be used for vermiculite remediation and home repair as part of home weatherization.

(2) \$9,000,000 to the Agency of Administration to grant to the Vermont Housing Finance Agency for financial support of housing weatherization statewide.

(3) \$5,000,000 to the Department of Public Service to grant to the Efficiency Vermont for the purpose of weatherization incentives. These funds shall be deposited in the Electric Efficiency Fund established under 30 V.S.A. Sec. 209(d)(3) and be available for use by Efficiency Vermont through December 31, 2023.

(4) \$2,000,000 to the Department of Public Service to grant to Efficiency Vermont for the purpose of workforce development initiatives and to support the expansion of Neighborworks of Western Vermont's Heat Squad program. These funds shall be deposited in the Electric Efficiency Fund established under 30 V.S.A. Sec. 209(d)(3) and be available for use by Efficiency Vermont through December 31, 2023.

(5) \$9,000,000 to the Department of Public Service to be used on the Affordable Community-Scale Renewable Energy Program, consistent with parameters of the Clean Energy Development Fund, to support the creation of renewable energy projects for low-income Vermonters.

(6) \$1,500,000 to the Community Action Agencies, to be used through December 31, 2024, to support at least five Financial and Clean Energy Coaches and one Coordinator in the Office of Economic Opportunity to assist low-and-moderate income Vermonters in comprehensive financial coaching, including budgeting, debt reduction, credit building, and asset development, with an emphasis on reducing their reliance on carbon fuel-based technologies.

(7) \$500,000 to the Community Action Agencies, to support the MileageSmart program, established in 2019 Acts and Resolves No. 59, Sec. 34, as amended.

(b) It is the intent of the General Assembly that additional funding up to \$100,000,000 be provided to support the implementation of the Vermont Climate Action Plan between fiscal year 2023 and fiscal year 2025 from this source or other state or federal funds which may become available.

***** Clean Water Investments *****

Sec. G. 700 WATER AND SEWER RELATED INVESTMENTS

(a) \$115,000,000 in fiscal year 2022 is appropriated from ARPA Coronavirus State Fiscal Relief Funds as follows:

(1) \$10,000,000 for Stormwater Retrofit Projects as follows:

(A) \$5,500,000 to the Department of Environmental Conservation to provide 3-acre stormwater permitting design and construction support for entities subject to the Vermont 3-9050 Stormwater General Permit, and to provide design and construction for practices necessary to restore impaired waters subject to flow restoration plans.

(B) \$1,000,000 to the Department of Forests, Parks, and Recreation to support compliance with the 3-acre stormwater rule.

(C) \$3,500,000 to the Agency of Transportation for the implementation of 3-acre and flow restoration protection and clean water compliance expenditures for transportation infrastructure, and to fund the municipal grants in aid program to address stormwater runoff from municipal roads.

(2) \$10,000,000 to the Department of Environmental Conservation to support wastewater projects and pretreatment activities as follows:

(A) \$8,000,000 to support the design and construction of up to ten community-scale water and/or decentralized wastewater projects to support underserved designated centers.

(B) \$2,000,000 to provide financial assistance to municipalities, Vermont businesses and non-profit entities to install or enhance pretreatment processes to address high strength or toxic wastes that otherwise require treatment at municipal expense by publicly owned treatment facilities.

(3) \$10,000,000 to the Department of Environmental Conservation to assist municipalities to design and construct projects to reduce or eliminate wet weather sewer overflows.

(4) \$5,000,000 to the Department of Environmental Conservation to reduce risk to public safety and the environment associated with state-owned dams.

(5) \$5,000,000 to make repairs or improvements to water and wastewater systems in Vermont homes to be allocated as follows:

(A) \$750,000 to the Department of Housing and Community Development to provide financial assistance or incentives for water system and water efficiency improvements as part of housing rehabilitation projects.

(B) \$4,250,000 to the Department of Environmental Conversation as follows:

(i) \$1,000,000 to increase the funds available for loan forgiveness to replace failed residential on-site wastewater and water supply systems.

(ii) \$3,250,000 to provide financial assistance or loan forgiveness to mobile home parks to improve drinking water, wastewater, stormwater, and drainage systems

(6) \$10,000,000 to the Department of Environmental Conservation for allocation by the Clean Water Board established under 10 V.S.A § 1389, as part of their budget process in fiscal year 2022

(7) \$50,000,000 shall carryforward to be used as follows:

(B) \$20,000,000 for allocation by the Clean Water Board established under 10 V.S.A § 1389, as part of their budget process in fiscal year 2023 and 2024;

(C) \$30,000,000 for allocation in fiscal year 2023 and 2024 by the Department of Environmental Conservation for drinking water, sewer and stormwater infrastructure projects including dam safety improvements and CSO abatement. The Department shall provide the General Assembly a list of the projects allocated for funding during the annual budget development process for fiscal year 2023 and 2024.

(7) \$15,000,000 to be used to the extent capital funds have been appropriated to projects supporting water and sewer infrastructure in fiscal year 2022 and capital appropriations can be offset for reuse for future capital construction projects in the fiscal years 2022-2023 capital budget adjustment process. On or before December 15, 2021, the Commissioner of Finance & Management shall review and recommend water and sewer infrastructure projects funded in fiscal year 2022 that could be funded with ARPA funds to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and to the Governor for the fiscal years 2022–2023 capital budget adjustment report.

Sec. G. 701 CLEAN WATER THREE YEAR REVENUE ALLOCATION CHANGE

(a) In fiscal years 2022 through 2023 revenues from the meals and rooms taxes imposed under 32 V.S.A. chapter 225 shall be allocated by fiscal year notwithstanding 10 V.S.A. § 1388 (a) (4) and notwithstanding 32 V.S.A. § 435 (b) (7) as follows:

(1) To the Clean Water Fund

- (i) zero percent in fiscal year 2022
- (ii) two percent in fiscal year 2023
- (iii) four percent in fiscal year 2024

(2) To the General Fund:

- (i) 75 percent in fiscal year 2022
- (ii) 73 percent in fiscal year 2023
- (iii) 71 percent in fiscal year 2024

(b) It is the intent of the General Assembly that in fiscal year 2025 the allocation of meals and room taxes be allocated to the Clean Water Fund at six percent as specified in 10 V.S.A. § 1388 (a) (4).