



## H.679 Fiscal Year 2022 Budget Adjustment Bill Senate Proposal of Amendment

### Overview:

The budget adjustment increases unduplicated appropriations by **\$367M**, which is 5% over the budget passed in May. This reflects the one-time General Funds currently available within the FY 2022 forecast, appropriating an additional **\$111M**. This bill along with S.210 allocates **\$114.3M** more ARPA State Fiscal Recovery (SFR) funds. Federal matching funds in Medicaid and other smaller special funds adjustments make up the balance of the total increase. These funds are being spent to address the costs of operating state government, including programs that provide services and benefits to Vermonters during the ongoing COVID-19 pandemic. This budget adjustment maintains the full funding for the statutorily required stabilization reserves including the budget stabilization reserve, the Rainy-Day reserve, the Transportation Fund reserve, and the Education Fund reserve. **Maintains the capacity for \$50m additional onetime GF to apply a total of \$200M to pension liabilities in pending Senate pension legislation.**

### Key Provisions in the Budget Adjustment Bill:

#### General Fund (GF)

##### APPROPRIATION ADJUSTMENTS:

- Funds Medicaid caseload and utilization increase of \$67.5M gross (\$28.7M state)
- Funds case load and cost per case increases in the Dept. for Children and Families for adoption and substitute care
- Funds \$6.1M in the Dept. for Children and Families-Office of Economic Opportunity for Emergency Housing Plan initiatives including rental risk mitigation, transportation for General Assistance clients, and rapid resolution housing
- Funds the retention and shift differential pay per the Collective Bargaining Agreement at the Dept. of Mental Health using Global Commitment funds
- Adds \$440,000 GF to maintain the 988 Suicide Prevention Line
- Supports Vermont Veterans Home cost of traveling nurses, and misc. operating/repairs

##### ONE-TIME EXPENDITURES:

- Provides \$25M to AHS to address emergent and exigent circumstances related to the COVID-19 pandemic. Funds will be used to provide financial support to healthcare providers to prevent disruptions or business closures
- Adds \$30M GF to VHCB for housing and increased shelter capacity (also \$25M ARPA SFR funds for a total \$55M to VHCB for housing)
- **Removes \$20 million from the BAA to be appropriated in S.210 to fund the Vermont Rental Housing Incentive Program created in S.210**
- Transfers \$1.55M to the Center for Crime Victims Services funds to address revenue shortfall and \$112,000 to provide legal services to victims
- Provides \$350,000 for Adult Ed and Literacy programs effected by COVID-19
- Adds \$300,000 to support public, educational and governmental (PEG TV) services
- Adds \$166,667 to support four statewide syringe service programs
- Provides additional \$250,000 for Municipal Planning Grants



- **Provides \$1M for state match to be split between two proposal seeking funding from the U.S. Economic Development Administration**
- **\$150,000 additional cost of moving the Railroad Station in New Haven**
- **\$150,000 for independent schools' vaccine incentive initiative**
- **\$500,000 to establish state health care bench marking capacity**
- **Adds 8 positions and \$200,000 to the Cannabis Control Board, then transfers \$850,000 GF to the special fund so this FY22 special fund deficit is fully addressed**
- Provides \$10M between appropriations to ADS and funding for the State Liability Self-Insurance fund for cyber security needs
- **Pays down the Correctional Industries internal deficit of \$1.9M**
- Brings forward **\$81M** of unreserved and undesignated GF which may be used in FY23 as state match for the federal infrastructure bill
- Partially pays down the BGS Property management Fund deficit with \$5M, **allows an additional \$5M will be funded if FY22 revenue exceeds forecast**
- **Allows \$20m of FY22 surplus revenue over forecast to redeem outstanding bonds**

### Transportation Fund

- One-Time \$19.9M payoff of outstanding Transportation Infrastructure Bonds (TIB) utilizing federal FHWA and transportation funds.

### American Rescue Plan Act (ARPA) Funds

- **Provides a total of \$60M (including \$30M ARPA SFR, \$25M Home and Community Based Services Plan funds and \$5M GF) for a needs-based retention and recruitment grant program to shore up critical provider systems in health care and social services.**
- Funds \$4.9M for Department of Corrections staff recruitment and retention proposals per the Collective Bargaining Agreement
- Provides \$6M for retention payments for Childcare staff
- Provides \$373,680 Vermont Veterans Home for staff retention per the Collective Bargaining Agreement and PPE supplies
- Adds \$1M for the Adult Day service providers for operating costs through June 30, 2022
- Provides \$12.8M and \$5.5M reallocated CRF funds, totaling \$18.3M to address shortfalls at Dept. of Labor for the Unemployment Insurance program administration expenses
- Supports the Vermont Food Bank with \$6M for food insecurity
- Provides \$9.7M to Vermont State Colleges for a second round of critical occupations scholarships and to pay for over subscription of first round
- Provides \$1M for second round of workforce training at UVM for VT residents
- Adds \$2M for Working Lands Enterprise Initiative
- Adds \$25M to VHCB for affordable housing/shelter (\$55M total with \$30M GF)
- **Funds State House expansion planning RFP with \$1.5M**
- **Adds \$2.6M for Dairy Margin Coverage Program to provide dairy operations with risk management coverage pay producers when there us gap between milk prices and average feed costs as defined by the program.**

### Other

- **Provides \$1.725M Ed Fund for supplemental grants to Career Technical Ed Centers**