

Vermont Legislative Joint Fiscal Office

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ISSUE BRIEF

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Economic Relief December Stimulus Package H.R.133 Preliminary Fiscal Overview January 11 update ~~December 31, 2021~~

Impact Summary:

1. **Like the earlier CARES funding there is a lot we do not know, and the impacts are likely to continue to unfold throughout the legislative session.** The role of the various committees and the interaction with the appropriation process is yet to be determined.
2. **The Federal Economic Relief Funding came coupled with the overall Federal Budget for Federal Fiscal Year 2021.** We will see state impacts of both Pandemic Relief and base federal funding sources in the Budget Adjustment, the State Fiscal Year 2022 budget and areas that the Policy Committees will need to consider over the coming session.
3. **The Relief Bill extended the time for using the Coronavirus Relief Fund (CRF) funds through December 31, 2021.** While most of the \$1.250 billion that Vermont received has been spent there may be \$10 to \$30 million which could be impacted by this extension, such as:
 - a. How the CRF monies have been used in the various policy areas may be an area that committees want to take testimony on.
 - b. Where there are funds within appropriations and allocations that remain unspent, those can be made available for use within those appropriations or allocations or reallocated. That will be something that should come up through Budget Adjustment or the Budget.
 - c. Where monies have already been reallocated and spent, those funds are not available.
 - d. There may be some cases where new relief funds can replace CRF funds, freeing up more flexible CRF dollars.
4. **The total Vermont impact of the relief portion of the bill could be \$1.4 to \$2.5 billion; less than half of that will pass through the state, with the amounts to be appropriated or disbursed with legislative oversight being about \$657 million.**
 - a. The non-state portion includes direct stimulus payments of \$600, Paycheck Protection Program (PPP) funding, small business assistance and UI supplements among others. Even in these areas, the Legislature and its committees may consider a role in promoting resource usage.

