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MEMORANDUM

To: Representative Diane Lanpher, Chair, House Committee on
Appropriations

From: Representative Michael Marcotte, Chair, House Committee on Commerce and
Economic Development

Date: January 13, 2024 - **DRAFT**

Subject: House Commerce further recommendations on Governor's proposed FY24 BAA

The House Committee on Commerce and Economic Development appreciates the opportunity to review and provide recommendations on the provisions of the Governor's proposed fiscal year 2024 budget adjustment act that fall under the policy jurisdiction of this Committee. In addition to your request to review the Governor's proposals and rank each based on priority, the committee further proposed the following based on

Vermont Municipal Technical Assistance Program– High Priority

The Committee took testimony from Chief Recovery Officer Doug Farhnam on the rollout, impact, and efficacy of the Vermont Municipal Technical Assistance program. There have been significant delays to the rollout of the program due to summer flooding (pauses of multiple months or more) and the lack of available contractors to assist communities. The vast majority of the \$3 million dollars of general fund monies appropriated to find entities to assist municipalities with drawing down one-time American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF) has proven ineffectual.

The committee also heard testimony that the remaining \$300 million in ARPA SLFRF funds siloed across various state agencies will not be utilized if the funds are not appropriated by December 31, 2024.

Further, according to the U.S. Department of the Treasury Coronavirus State and Local

Fiscal Recovery Funds: [Overview of the Interim Final Rule](#) (2023) ARPA SLFRF funds can now explicitly be used to “provide emergency relief from natural disasters or their negative economic impacts.”

To that end, and given the impacts many Vermont communities have faced in the summer and fall of 2023 due to flooding, landslides, and other natural disasters the House Committee on Commerce and Economic Development **strongly recommends that the House Appropriations Committee reappropriate some or all of the ARPA SLFRF funds now appropriated to various state grant programs in the BAA, in the hopes that these funds can be utilized for natural disaster recovery and before they are no longer accessible due to the December 31st deadline.**

