



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Legislative Management Committee
From: Scott Moore, Joint Fiscal Office
Cc: Legislative Branch Department Heads
Date: December 6, 2024
Subject: Fiscal Year 2026 Legislative Branch Budget

2 V.S.A. § 42(a)(1), as established in Section 3 of Act 144 (2020), states that the Joint Legislative Management Committee shall: *“prepare a proposed budget for the Legislative Branch that includes a budget for each legislative office.”*

This memo contains the proposed Legislative Branch appropriations for fiscal year 2026. These budgets have been prepared by the Joint Fiscal Office in collaboration with other Legislative Branch departments. Summary budget figures are shown below.

FY25 Legislative Branch Budget	\$22,427,405
FY26 Legislative Branch Budget	\$24,026,591
Dollar Change (FY25 to FY26)	\$1,599,186
Percent Change (FY25 to FY26)	+7.13%
Proposed FY26 Reversions	\$121,815
Percent Change After Reversions	+6.59%

The growth in the Legislative Branch budget from fiscal year 2025 to fiscal year 2026 reflects increased costs to provide base services. Approximately 90% of the overall budget growth is associated with the following: annualizing the costs of the most recent “Pay Act” and the corresponding benefits cost increase, an increase in legislator expense reimbursement rates, and an increase in payroll taxes for child care. The remainder of the growth is driven by organization dues, increases in IT operating expenses, staff professional development, and contractual obligations for consulting services.

Fiscal Year 2026 Staffing Request

- 1) **Funding for Law Clerk:** In fiscal year 2025 two session-only Law Clerk positions were converted into one exempt full-time, year-round position. Legislative Counsel has requested to fund this position for nine months. Doing so will introduce recent law school graduates to legislative legal work and create a much-needed pipeline of candidates for permanent Legislative Counsel positions when the legal unit has a vacancy. Clerks provide necessary research, drafting, and support services to the attorneys during high volume times of the year.

Budget Pressures:

- 1) **Compensation and Benefits Changes:** Legislative staff received 6.4% salary increases based on the annual “Pay Act.” This also has a corresponding impact on disability, family medical leave, FICA/Medicare, and life insurance costs.
- 2) **Increased Payroll Taxes:** Child care payroll tax increases in fiscal year 2026.
- 3) **Legislator Expense Reimbursements:** Reimbursement rates are driven by federal reimbursement rates. The federal lodging reimbursement rate, which is put out by the General Services Administration (GSA), increased on October 1, 2024 from \$162/night to \$167/night. The meal reimbursement rate also increased from \$69/day to \$74/day.
- 4) **Contractual Obligations:** In fiscal year 2026 contracted third parties will have an increase in their contracted rates.
- 5) **Law Clerk Position:** Two session-only Law Clerk positions were converted into one full-time year-round position in fiscal year 2025. The fiscal year 2026 Legislative Branch budget includes funding for this position for nine months.

Legislative Branch Budgets by Department				
Department	FY25 Appropriation	FY26 Request	Change in Dollar Amount	Change in Percentage
Legislature*	\$11,465,442	\$12,250,184	\$784,742	6.84%
Legislative Counsel	\$4,198,066	\$4,544,229	\$346,163	8.25%
Joint Fiscal Office	\$2,859,179	\$3,087,551	\$228,372	7.99%
Legislative IT	\$2,241,214	\$2,368,405	\$127,191	5.68%
Sgt. At Arms	\$1,663,504	\$1,776,222	\$112,718	6.78%
Subtotal:	\$22,427,405	\$24,026,591	\$1,599,186	7.13%
FY 26 Reversion		(\$121,815)	(\$121,815)	
Total:	\$22,427,405	\$23,904,776	\$1,477,371	6.59%

*The “Legislature” department budget includes funding for the General Assembly, the Office of the Clerk of the House, the Office of the Secretary of the Senate, Legislative Leadership, the Office of Legislative Operations, and the Office of Human Resources.

Proposed Motion:

Fiscal Year 2026 Legislative Budget: *Move to support the proposed fiscal year 2026 Legislative Branch appropriations as presented to the Joint Legislative Management Committee on December 11, 2024 and require that the Joint Fiscal Office notify the Chair and Vice-Chair of any substantial changes prior to the release of the Executive Branch budget recommendation to determine whether formal review by the Committee is necessary.*