



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Legislative Management Committee
From: Scott Moore, Legislative Finance Manager, Joint Fiscal Office
Cc: Legislative Branch Department Heads
Date: November 29, 2023
Subject: FY 2025 Legislative Branch Budgets

2 V.S.A. §42(a)(1) states that the Joint Legislative Management Committee shall:

(1) prepare a proposed budget for the Legislative Branch that includes a budget for each legislative office;

(2) approve requests for new, permanent positions in staff offices as appropriate, for inclusion in the proposed Legislative Branch budget;

(3) approve the reallocation of existing positions among staff offices, as appropriate;

(4) approve and adopt policies that apply across the Legislative Branch, including compensation and benefits plans, personnel policies, and policies relating to information technology; and

(5) attend to other relevant management and oversight matters.

This memo contains the proposed Legislative branch appropriations for FY 2025. These budgets have been prepared by the Joint Fiscal Office in collaboration with legislative branch departments. Summary budget figures are shown below.

FY 2024 Legislative Branch Budget	\$20,659,643
FY 2025 Legislative Branch Budget	\$22,279,123
Dollar change (FY 2024 to FY 2025)	\$1,619,480
Percent change (FY 2024 to FY 2025)	+7.84%
Proposed FY 2025 Reversions	\$813,754
Percent change after reversions	+3.9%

The growth in legislative budgets from FY 2024 to FY 2025 primarily reflects the increased costs of providing base services. Approximately 70% of overall budget growth is associated with increases to the following: health care premiums, the State-share for the defined contribution plan, legislator expense reimbursement rates, costs for Internal Service Funds, annualized costs of the most recent Pay Act, and new FY 2025 payroll taxes for Paid Family Medical Leave and Child Care Contribution. There are also increases in IT operating expenses, including those for hardware, software, and software licenses. A small amount of growth is driven by new costs associated with other miscellaneous items such as additional funding for staff professional development and an Emergency Alert System for the Capitol Police.

The remaining 30% of budget growth is associated with replacing the Document Management system, a retainer for a contracted analyst to look at matters of compensation, and staffing requests for the conversion of existing positions and the creation of additional positions.

FY 2025 Staffing Requests:

- 1) **Transfer one vacant position from Legislative Counsel to Human Resources.** The Directors of Legislative Counsel and Human Resources request that one vacant full-time exempt position at Legislative Counsel be transferred to Human Resources. This will provide Human Resources with an attorney to focus specifically on human resource related issues, relieving that workload from the Office of Legislative Counsel and alleviating some of the pressure on the Director of Human Resources.
- 2) **Convert one Capitol Police Officer to Sergeant.** The Sergeant at Arms requests the conversion of one vacant Capitol Police Officer to the position of Sergeant. This position will provide additional supervisory coverage.
- 3) **Convert two session-only Law Clerk positions into one year-round position.** Legislative Counsel requests that two session-only Law Clerk positions be converted into one exempt full-time year-round position. This will enhance recruitment, give Legislative Counsel attorneys legal support year-round, and help alleviate increasing workload pressures.
- 4) **Create one IT position for a new Audio-Visual Specialist.** The IT Department requests an additional full-time position to assist in the maintenance and support of Audio-Visual systems. The increased reliance on technology has put additional pressure on IT. This position will help address this increased workload and allow for specialization in this area of technology.

Budget Pressures:

- 1) **Compensation and benefits changes:** Legislators and some legislative staff received 3.9% salary increases based on the annual Pay Act. Additionally, the State-share cost for the defined contribution plan rose from 11.75% to 16.34%. Health care premiums also increased 15% from FY 2024.
- 2) **New payroll taxes:** The FY 2025 budget includes Paid Family Medical Leave and Child Care Contribution payroll taxes that are new in FY 2025.
- 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, 2023, from \$134 per night to \$162 per night.
- 4) **Internal Service Fund changes:** The budget instructions from the Executive branch advised departments to build in 3% increases for all Internal Service Fund costs (e.g. fee-for-space, VISION, worker’s compensation, etc.).

Reversions:

The Legislative branch budget package includes proposed reversions from departments totaling \$813,754 to cover the FY 2025 funding request.

Legislative Branch budgets – department breakdown				
Department	FY24 Appropriation	FY25 Request	Change in Dollar Amount	Change in Percentage
Legislature*	\$10,547,718	\$11,432,776	\$885,058	8.39%
Legislative Counsel	\$3,924,777	\$4,154,628	\$229,851	5.86%
Legislative IT	\$1,943,447	\$2,236,082	\$292,635	15.06%
Joint Fiscal Office	\$2,708,940	\$2,802,507	\$93,567	3.45%
Sgt. At Arms	\$1,534,761	\$1,653,132	\$118,371	7.71%
Subtotal:	\$20,659,643	\$22,279,125	\$1,619,482	7.84%
FY25 Reversion		(\$813,754)	(\$813,754)	
Total:	\$20,659,643	\$21,465,371	\$805,728	3.9%

*The Legislature budget includes funding for the General Assembly, House Clerk, Senate Secretary, leadership positions, Office of Legislative Operations, and the Office of Human Resources.

Proposed Motions:

- 1. Transfer vacant position from Legislative Counsel to Human Resources:**
Move to support the transfer of an existing vacant position from Legislative Counsel to the Human Resources Department.
- 2. Convert one Capitol Police Officer to Sergeant:** *Move to support the conversion of a vacant Capitol Police Officer position to a Sergeant position.*
- 3. Convert two session-only Law Clerk positions into one year-round position:**
Move to consolidate two session-only positions to create one full-time exempt position for use by Legislative Counsel.
- 4. Create one IT position:** *Move to create one full-time exempt position for use by IT for an Audio-Visual Specialist.*
- 5. FY 2025 Budgets:** *Move to support the proposed FY 2025 Legislative branch appropriations as presented to the Joint Legislative Management Committee on November 29, 2023, and require that the Chair and Vice-Chair be notified of any substantial changes prior to the Executive branch budget recommendation to determine whether formal review by the Committee is necessary.*