

FY 2023 Governor's Recommended Budget Adjustment Act

No. XX. An act relating to fiscal year 2023 budget adjustments.

Sec. XX 2022 Acts and Resolves No. 185, Sec. B.1100 is amended to read:

a) In fiscal year 2023, funds are appropriated from the General Fund for new and ongoing initiatives as follows:

(24) \$3,000,000 to the Secretary of Administration to implement the Rural Infrastructure Assistance Program created in Sec. E.100.4 of this act.

EXPLANATION: The administration proposes \$3M to provide Vermont's rural communities with technical assistance in applying for and utilizing available ARPA funds.

(25) \$3,345,000 to the Secretary of Administration to be used as the 10% State match required for FEMA COVID funds starting July 01, 2022.

EXPLANATION: FEMA COVID funding had previously been 100% federal funds. As of July 01, 2022, FEMA requires a 10% match for all eligible expenditures. The most recent estimate of need is \$3.345M.

(26) \$1,734,000 to the Agency of Digital Services to be used as state match for a US Geological Survey (USGS) Light Detection and Ranging (LIDAR) grant.

EXPLANATION: Approximately every 8 years the USGS offers cooperative agreement opportunities for states to update their imagery and account for changes in landscape. This grant will support the state's LIDAR program which is essential to updating and maintaining the state's tax mapping efforts.

(27) \$1,115,000 to the Military Department to be used as state match for the federal Facilities Sustainment, Restoration and Modernization (SRM) funds eligible for receipt in federal fiscal year 2023.

EXPLANATION: The Vermont National Guard received approval for \$8.522M in Sustainment, Restoration and Modernization (SRM) funds for state armories across two federal fiscal years: \$5.182M for FFY2022 requiring \$1.68M of State match, and \$3.340 for FFY2023 requiring \$1.115M of State match. While funding was secured to achieve execution of the FFY22 projects, the Department requests \$1.115M of General Fund required to provide state match for all FFY23 projects in direct support of the Vermont Army National Guard.

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(28) \$30,000,000 to the Public Service Department to be used as state match for the National Telecommunications and Information Administration (NTIA) broadband grant (Middle Mile).

EXPLANATION: \$30M represents the State match toward the \$114,164,581 NTIA grant application submitted on 9/30/22. Anticipated federal receipts are \$67,445,239 with additional cash and in-kind match provided by all VT fiber optic networks benefiting from the Middle Mile infrastructure (FirstLight, ECFiber and NEK Broadband). If received, monies will be used to expand access to reliable, high-speed, and affordable broadband throughout Vermont.

(29) \$350,000 to the State Refugee Resettlement Office, located within the Agency of Human Services Central Office, to implement Employment Assistance Grants for New Americans created in Section E.300.2 of this Act. Funds remaining at the end of FY2025 shall revert to the General Fund.

EXPLANATION: These funds will provide financial assistance to organizations engaged in developing community-based systems of support for New Americans.

(30) \$9,225,000 to the Department of Mental Health to continue construction of the Southwest Vermont Medical Center (SVMC) Youth Inpatient Facility.

EXPLANATION: Funds will be used to complete construction of the facility.

(31) \$3,000,000 to the Department for Children and Families Office of Economic Opportunity for the CARES Housing Voucher Program.

EXPLANATION: Replicates the CARES Housing Voucher Program to re-house families experiencing homelessness by providing bridge funds for temporary rental assistance for families not on Reach Up. This program was previously 100% federally funded and this appropriation continues these services.

(32) \$5,000,000 to the Department of Housing and Community Development as additional support for the Vermont Housing Improvement Program (VHIP).

EXPLANATION: Additional funding to support grants up to \$50K per unit for repairs needed to bring vacant rental units up to Vermont Rental Housing Health Code guidelines, add new units to an existing building, or create an accessory dwelling unit on an owner-occupied property.

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Sec. XX 2022 Acts and Resolves No. 185, Sec. B.1101 is added to read:

Sec. B.1101 FISCAL YEAR 2023 ONE-TIME ENVIRONMENTAL CONTINGENCY FUND APPROPRIATIONS

(a) In fiscal year 2023, funds are appropriated from the Environmental Contingency Fund (21275) for new and ongoing initiatives as follows:

- (1) \$3,000,000 to the Department of Environmental Conservation for PFAS remediation.

EXPLANATION: The funding will support statewide groundwater PFAS remediation efforts.

Sec. XX 2022 Acts and Resolves No. 185, Sec. B.1102 is added to read:

Sec. B.1102 FISCAL YEAR 2023 ONE-TIME TECHNOLOGY MODERNIZATION SPECIAL FUND APPROPRIATIONS

(a) In fiscal year 2023, funds are appropriated from the Technology Modernization Special Fund (21951) for new and ongoing initiatives as follows:

- (1) \$40,010,000 to the Agency of Digital Services to be used as follows:
 - (A) \$11,800,000 for Enterprise Resource Planning (ERP) system upgrade of core statewide financial accounting system and integration with the Department of Labor and Agency of Transportation financial systems;
 - (B) \$1,800,000 for continued implementation of the Workplace Information Management System for property management at the Department of Buildings and General Services;
 - (C) \$960,000 for the Fire Safety System Modernization to replace the current technology with a modern platform to improve records management and public interaction functionalities related to permitting and licensing;
 - (D) \$2,200,000 for a case management system at the Office of the Attorney General;
 - (E) \$20,250,000 for the Department of Motor Vehicles (DMV) Core System Modernization Phase II;
 - (F) \$3,000,000 for the Department of Labor Unemployment Insurance Modernization project.

EXPLANATION: \$16.76M of Technology Modernization Fund expenditures, for the projects previously itemized in 2022 Act 185 Section E.102.2, are removed from the Agency of Digital Services’ base appropriation in Section B.105 and re-established as one-time appropriations. This section also makes appropriations for the \$20.25M DMV Modernization and \$3M VDOL projects, since the contingent General Fund transfer established in 2022 Act 185 Sec. C.102(b) was available and transferred to the Technology Modernization Fund at the close of FY2022. This adjustment maintains ADS’s base appropriation, prevents large annual variances due to project portfolio changes, and provides greater internal control over projects and their associated funding.

Sec. XX 2022 Acts and Resolves No. 185, Sec. D.101 is amended to read:

(a) Notwithstanding any other provision of law, the following amounts are transferred from the funds indicated:

(8) From the General Fund to the Emergency Relief and Assistance Fund (21555): \$2,100,000

(9) From the General Fund to the Environmental Contingency Fund (21275): \$3,000,000

(10) From the General Fund to the Cannabis Regulation Fund (21998): \$540,311

(b) Notwithstanding any provision of law to the contrary, in fiscal year 2023:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

21220 <u>Mental Health Risk Pool</u>	<u>\$449.17</u>
21910 <u>Counselor Regulatory Fee Fund</u>	<u>\$2,125.00</u>
21945 <u>DOC-Corrections Donations</u>	<u>\$4.52</u>
22005 AHS Central Office earned federal receipts	\$4,641,960
50300 Liquor Control Fund	\$20,400,000
Caledonia Fair	\$5,000
North Country Hospital Loan	\$24,047
Springfield Hospital promissory note repayment	\$121,416

EXPLANATION: Transfers in subsection (a) add the estimated amount needed for state match for (non-COVID) FEMA disaster relief to the Emergency Relief and Assistance Fund in FY23 and FY24; provide the Environmental Contingency Fund with the necessary funding to implement PFAS remediation; and provide the Cannabis Control Board the funding necessary to complete their IT system implementation and cover general operating cost increases. Transfers in

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subsection (b)(1) represent amounts currently in AHS special funds, totaling \$2,578.69, which AHS requests be transferred to the General Fund.

(4) Notwithstanding any provision of law to the contrary, in fiscal year 2023, the following amounts shall revert to the General Fund from the accounts indicated:

1210002000 Legislature	\$ 205,000
1100030000 Executive Branch Pay Act	\$ 4,405,000
<u>1100010000 Secretary of Administration</u>	<u>\$ 261,019.35</u>
<u>1110003000 Budget & Management</u>	<u>\$ 46,983.65</u>
<u>1140040000 Homeowner Rebates</u>	<u>\$ 2,593,580.53</u>
<u>1140070000 Use Tax Reimbursement Program</u>	<u>\$ 103,001.75</u>
<u>1140330000 Renter Rebates</u>	<u>\$ 4,374,661.25</u>
<u>1260010000 Office of the Treasurer</u>	<u>\$ 206,201.60</u>
<u>2100001000 Attorney General</u>	<u>\$ 1,181.15</u>
<u>2140010000 Department of Public Safety – State Police</u>	<u>\$ 329,311.26</u>
<u>2140090000 Forensic Laboratory</u>	<u>\$ 60,701.18</u>
<u>2150010000 Military Administration/TAGO</u>	<u>\$ 347,364.99</u>
<u>2230892001 Calendar Year 2020 General Election</u>	<u>\$ 59,295.39</u>
<u>3330892202 GMCB – Benchmarking Analyses</u>	<u>\$ 80,443.00</u>
<u>3400891804 Medicaid Financial Requirements</u>	<u>\$ 40,341.34</u>
<u>3400892109 St Match-Act 155 4(a),5(a)</u>	<u>\$ 277,500.00</u>
<u>3400892112 AHS-VT Food Bank-Food Box</u>	<u>\$ 1,376,000.00</u>
<u>3420892203 VDH-Recovery Centers</u>	<u>\$ 1.09</u>
<u>3440892203 DCF-Parent Child Ctrs Cap Imp</u>	<u>\$ 10.00</u>
<u>5100010000 Administration</u>	<u>\$ 282.00</u>
<u>5100060000 Adult Basic Education</u>	<u>\$ 7,192.22</u>
<u>5100070000 Education Services</u>	<u>\$ 3,870.00</u>
<u>5100210000 Education – Flexible Pathways</u>	<u>\$ 182,072.00</u>
<u>5100400000 State Board of Education</u>	<u>\$ 54,755.46</u>

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<u>5100892214 AOA School Food Program Administration</u>	<u>\$ 50,670.70</u>
<u>5100892216 AOE Vaccine Incentive Program</u>	<u>\$ 50,000.00</u>
<u>6100040000 Property Tax Assessment Appropriation</u>	<u>\$ 4,263.13</u>
<u>6130030000 Parks</u>	<u>\$ 504.96</u>

EXPLANATION: \$10,511,208 net new General Fund balances available for reappropriation.

(d) Notwithstanding any provision of law to the contrary, in fiscal year 2023, the following amounts shall revert to the Education Fund from the accounts indicated:

<u>5100010000 Administration</u>	<u>\$ 1,607,144.76</u>
<u>5100040000 Special Education Formula</u>	<u>\$ 27,333,400.07</u>
<u>5100050000 State-Placed Students</u>	<u>\$ 1,443,542.45</u>
<u>5100090000 Education Grant</u>	<u>\$ 11,754,133.93</u>
<u>5100110000 Small School Grant</u>	<u>\$ 34,348.00</u>
<u>5100200000 Education-Technical Education</u>	<u>\$ 1,497,300.35</u>
<u>5100210000 Education – Flexible Pathways</u>	<u>\$ 1,843,900.61</u>

EXPLANATION: \$45,513,770 net Education Fund balances available for reappropriation.

Sec. XX 2022 Acts and Resolves No. 185, Sec. D.102(a) is amended to read:

(a) \$3,020,000 from the General Fund shall be reserved in the 27/53 reserve in fiscal year ~~2022~~2023. This action is the fiscal year 2023 contribution to the reserve for the 53rd week of Medicaid as required by 32 V.S.A. § 308e and the 27th payroll reserve as required by 32 V.S.A. § 308e.

EXPLANATION: Technical correction to reference the appropriate fiscal year.

Sec. XX 2022 Acts and Resolves No. 185, Sec. E.100 is amended to read:

(a) The establishment of the following new positions is authorized in fiscal year 2023:

(2) Permanent Exempt Positions:

(A) Vermont Pension Investment Commission: one Principal Assistant.

(B) Office of Child, Youth and Family Advocate

(i) One Child, Youth and Family Advocate; and

(ii) One Deputy Child, Youth and Family Advocate.

(g) the establishment of the following exempt limited-service positions is authorized in the fiscal year beginning July 1, 2022 through June 30, 2026.

(1) Truth and Reconciliation Commission

(A) Three Commissioners.

EXPLANATION: Technical corrections to provide position creation language that was inadvertently omitted from Acts 129 and 128.

Sec. XX 2022 Acts and Resolves No. 185, Sec. E.100.4 is added to read:

Sec. E.100.4 RURAL INFRASTRUCTURE ASSISTANCE PROGRAM

- (a) Rural Infrastructure Assistance Program. The Agency of Administration shall develop a program to support rural communities in accessing, and managing, competitive grant funds available for clean water initiatives, development of a wide array of housing, broadband development, community recovery, workforce development and business supports and climate change mitigation and resiliency infrastructure projects to be administered by the State.
- (b) Eligible communities. This Program will be designed to serve communities which score 75 percent or higher on the Vermont Underserved Communities Index developed by the Agency of Administration. The Agency shall have the option to expand the Program to additional communities after one calendar year from the date of implementation to the extent funds remain available.
- (c) The Agency will make the following community support services available upon request from eligible communities:
1. Community Needs Assessments to evaluate need as directed by a municipality in the following categories:
 - A. Water quality infrastructure improvement;
 - B. Housing development;
 - C. Community recovery, workforce development and business supports;
 - D. Climate change mitigation and resilience; and

- E. Other projects related to community economic development as determined by the Agency of Administration.
2. Opportunity Assessment to identify available state and federal funding programs.
 3. Application and Permitting support to assist municipalities to apply for applicable funding sources and develop necessary permits.
 4. Project management and implementation support to assist successful grant recipients with project management and funding program compliance.

EXPLANATION: Directs the Agency of Administration to develop a program to provide technical assistance to rural communities seeking ARPA-funded opportunities. \$3M is provided for this purpose in Section **XX** of this Act, amending Sec. B.1100 of 2022 Act 185.

Sec. XX 2022 Acts and Resolves No. 185, Sec. E.105.2 is amended to read:

Sec. E.105.2 FISCAL YEAR 2023; TECHNOLOGY MODERNIZATION SPECIAL FUND;
AUTHORIZATIONS

(a) ~~In fiscal 2023, the following expenditures are authorized from the Technology Modernization Special Fund to the projects described in this section:~~

~~(1) the sum of \$11,800,000 for Enterprise Resource Planning (ERP) system upgrade of core statewide financial accounting system and integration with the Vermont Department of Labor and the Agency of Transportation financial systems;~~

~~(2) the sum of \$1,800,000 for continued implementation of the Workplace Information Management System for property management at the Department of Buildings and General Services;~~

~~(3) the sum of \$960,000 for the Fire Safety System Modernization to replace the current technology with a modern platform to improve records management and public interaction functionalities related to permitting and licensing; and~~

~~(4) the sum of \$2,200,000 for a case management system at the Office of the Attorney General.~~

~~(b) The expenditures authorized in subdivision (a)(1) of this section Section B.1102 of this Act shall only be released following approval by the Joint Information Technology Oversight Committee upon a review of the following documentation as provided by the Agency of Digital Services, the Agency of Administration, and the Joint Fiscal Office's IT consultant:~~

- ~~(1) adequacy of departmental readiness;~~
- ~~(2) the responsiveness of requests for proposals; and~~
- ~~(3) results of the independent review.~~

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~~(e)~~(b) In fiscal year ~~2023~~2024, if funds are available per section C.102(b) of this act, the following expenditures are authorized from the Technology Modernization Special Fund to the projects described in this section:

~~(1) The sum of \$20,250,000 for the Department of Motor Vehicles (DMV) Core System Modernization Phase II.~~

(2) The sum of up to ~~\$30,000,000~~ \$27,000,000 for the Department of Labor Unemployment Insurance Modernization project. These funds shall be released as follows:

~~(A) the sum of \$3,000,000 on July 1, 2022;~~

~~(B)~~(A) the sum of \$10,000,000 on July 1, 2023 upon approval by the Joint Information Technology Oversight Committee of the actions outlined in a Project Schedule; and

~~(C)~~(B) Remaining funds shall be released upon request as needed by the Agency of Digital Services and approval of the Joint Information Technology Oversight Committee in accordance with actions outlined in a Project Schedule.

(3) For the amounts released in subdivisions ~~(2)(B)–(C)~~ (1)(A)–(B) of this subsection, the Joint Information Technology Oversight Committee shall consider the Project Schedule developed between the Department of Labor and the Agency of Digital Services, as approved by the Agency of Administration. The Joint Information Technology Oversight Committee shall also consider any actions proposed by the U.S. Department of Labor that may impact current or future plans developed by the State's Department of Labor.

EXPLANATION: Aligns 2022 Act 185 E.105.2 with the appropriations in Sec. ~~XX~~ of this Act, adding Sec. B.1102 to 2022 Act 185.

Sec. XX 2022 Acts and Resolves No. 185, Sec. E.233.2(a) is amended to read:

(a) In fiscal year 2023 there is appropriated to the Vermont Community Broadband Board a total of ~~\$1,500,000~~ \$1,435,531 from special funds and \$684,127 from federal funds to operate the Board. ~~The intent of this section is to provide the necessary spending authority to the Board to operate in fiscal year 2023 until a new line item budget is included in the budget adjustment for fiscal year 2023 pursuant to Sec. 233.1. of this act.~~

EXPLANATION: Amends the appropriation provided to reflect actual funds and anticipated expenditures in SFY23.

Sec. XX 2022 Acts and Resolves No. 185, Sec. E.300.2 is added to read:

Sec. E.300.2 Employment Supports for New Americans

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- (a) Employment Assistance Grants. The State Refugee Office, in consultation with the Vermont Department of Labor, shall administer a grant program to support the development of coordinated community-based systems, with consideration of regional networks and resources, to assist in achieving economic self-sufficiency for New Americans, including refugees, humanitarian parolees, special immigrant visa holders, asylees, asylum-seekers and others who are pursuing a path to citizenship.
- (b) Grant funds may be allocated to:
- (1) Assess the current ability of a municipality or region supporting the resettlement of New Americans, with a focus on Brattleboro, Bennington, Chittenden and Rutland, including the availability of English language services, transportation, housing, employment supports and economic and health services.
 - (2) Provide employment and related support services for refugees, asylum seekers and other New Americans including technical support, employment training before or during employment, English language learning, employment – related case management, job placement, transportation or other related services.
 - (3) Provide staff support for the coordination of local and state resources to secure partnerships with organizations employing refugees, development of sustainable New American support systems for regions where New Americans are being settled, creation of employer partnerships to serve multiple refugees, identification of cultural barriers for individual or groups of refugees and facilitation with necessary stakeholders to remove barriers and prepare for successful employment.

EXPLANATION: Creates a grant program, to be administered by the State Refugee Office, to assist organizations engaged in developing community-based systems of support for New Americans. \$350K has been provided to support this effort in Section XX of this Act amending 2022 Act 185 to add subsection (a)(29).

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Sec. XX 2022 Acts and Resolves No. 185, Sec. E. 301 is amended to read:

(b) In addition to the State funds appropriated in this section, a total estimated sum of ~~\$25,231,144~~ \$22,682,952 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) ~~\$22,230,100~~ \$19,881,850 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with ~~\$28,269,900~~ \$30,618,150 of federal funds appropriated in Sec. B.301 of this act equals a total estimated expenditure of \$50,500,000. An amount equal to the amount of the federal matching funds for eligible special education school-based Medicaid services under Global Commitment shall be transferred from the Global Commitment Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A. § 2959a.

(2) ~~\$3,001,544~~ \$2,801,102 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

(c) Up to ~~\$4,034,170~~ \$3,515,959 is transferred from the AHS Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Sec. B.301 of this act – Secretary's Office – Global Commitment.

EXPLANATION: Subsections (b) and (c) are amended to reflect current estimates.

Sec. XX 2022 Acts and Resolves No. 185, Sec. E.314.3 is added to read:

Sec. E.314.3 REIMBURSEMENT RATES FOR PRIVATE NONMEDICAL INSTITUTIONS

(a) Of the amounts appropriated in 2022 Acts and Resolves No. 185 Section B.314 as amended by this act, \$420,000 is appropriated for the purposes of increasing reimbursement rates for Private Nonmedical Institutions which have rates set according to the Department of Vermont Health Access, Division of Rate Setting's Methods, Standards and Principles for Establishing

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Payment Rates for Private Nonmedical Institutions Providing Residential Child Care Services. This amount shall be distributed by increasing the per diem rates set by the Department of Vermont Health Access, Division of Rate Setting for each Private Nonmedical Institution. The Division of Rate Setting shall increase the treatment portion of the final per diem rate for each Private Nonmedical Institution whose rate is set by the Division of Rate Setting by an amount sufficient to ensure the appropriation in this section is fully utilized from January 1, 2023 through June 30, 2023.

EXPLANATION: This is the associated language for the PNMI inflation factor adjustment. Amounts referenced are gross figures (GF + GC).

Sec. XX 2022 Acts and Resolves No. 185, Sec. E.317.1 is added to read:

Sec. E.317.1 REIMBURSEMENT RATES FOR PRIVATE NONMEDICAL INSTITUTIONS

(a) Of the amounts appropriated in 2022 Acts and Resolves No. 185 Section B.317 as amended by this act, \$1.9M is appropriated for the purposes of increasing reimbursement rates for Private Nonmedical Institutions which have rates set according to the Department of Vermont Health Access, Division of Rate Setting's Methods, Standards and Principles for Establishing Payment Rates for Private Nonmedical Institutions Providing Residential Child Care Services. This amount shall be distributed by increasing the per diem rates set by the Department of Vermont Health Access, Division of Rate Setting for each Private Nonmedical Institution. The Division of Rate Setting shall increase the treatment portion of the final per diem rate for each Private Nonmedical Institution whose rate is set by the Division of Rate Setting by an amount sufficient to ensure the appropriation in this section is fully utilized from January 1, 2023 through June 30, 2023.

EXPLANATION: This is the associated language for the PNMI inflation factor adjustment. Amounts referenced are gross figures (GF + GC).

Sec. XX 2022 Acts and Resolves No. 185, Sec. E.501.1 is added to read:

Sec. E.501.1 EDUCATION RECOVERY AND REVITALIZATION

(a) The Agency of Education may adjust any of the allocations concerning ESSER II and ARP ESSER state set aside funds made in Acts 9, 67, 72, and 74 of 2021 and Acts 28, 83, 112, 166

and 185 of 2022 during the final reconciliation process to ensure the entirety of the federal awards are expended. The Agency of Education shall provide a final reconciliation report to the Joint Fiscal Committee on the reallocation of these funds in October 2023 and October 2024.

EXPLANATION: Through a series of legislative actions, all ESSER II and ARP ESSER state set aside funds have been fully allocated. As grant programs, contracts and administrative costs are reconciled, the Agency of Education requires additional flexibility to ensure that all funds can be expended by the end of the funding periods.

Sec. XX 2022 Acts and Resolves No. 185, Sec. E.514 is amended to read:

Sec. E.514 State Teachers' Retirement System

(a) In accordance with 16 V.S.A. § 1944(g)(2), and consistent with system changes enacted for fiscal year 2023 in the 2022 session, the annual contribution to the State Teachers' Retirement System (STRS) shall be ~~\$194,161,651~~ \$194,961,651 of which ~~\$187,273,782~~ \$188,073,782 shall be the State's contribution and \$6,887,869 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, ~~\$34,342,965~~ \$34,842,965 is the "normal contribution," and ~~\$159,818,686~~ \$160,118,686 is the "accrued liability contribution."

EXPLANATION: Changes represent the difference between Actuarial adjustments following Act 114 and the estimates used to calculate Act 185 totals.

Sec. XX 2022 Acts and Resolves No. 185, Sec. G.300(c)(2) is amended to read:

(2) \$6,000,000 to the Department of Economic Development for the remediation and redevelopment of brownfield sites to be used in the same manner as the Brownfields Revitalization Fund established by 10 V.S.A. § 6654, except notwithstanding the grant limitations in 10 V.S.A. § 6654, projects supported by this appropriation shall not be limited to \$200,000 grants per parcel. The Agency of Commerce and Community Development shall award the amount of \$1,000,000.00 in fiscal year 2023 to regional planning commissions for the purposes of brownfields assessment. In awarding funds under this section, the Secretary, in consultation with VAPDA, shall select one regional planning commission to administer these funds. To ensure statewide availability, the selected regional planning commission shall subgrant

to regional planning commissions with brownfield programs, with not more than 5 percent of the funds being used for administrative purposes.

EXPLANATION: The language allows for a Regional Planning Commission to administer the \$1M brownfields grant program on ACCD's behalf and limits administrative costs to 5% of expenditures.

Sec. XX 2022 Acts and Resolves No. 185, Sec. G. 500(a) is amended to read:

(a) \$95,000,000 is appropriated in fiscal year 2023 to the Department of Public Service, Vermont Community Broadband Board from the American Rescue Plan Act - Coronavirus Capital Projects Fund in order to support the State's goal of achieving universal access to reliable, high-quality, affordable broadband. This appropriation shall be used ~~transferred to the Vermont Community Broadband Fund~~ to make grants through the Broadband Construction Grant Program. The Board may use monies appropriated in this subsection to fund any match requirements applicable to broadband grants funded by the federal Infrastructure Investment and Jobs Act.

EXPLANATION: American Rescue Plan Act (ARPA) funds are federal funds subject to the requirements of 2 CFR 200. Expenditures must be itemized by their Catalog of Federal Domestic Assistance (CFDA) number for inclusion on the State's Schedule of Expenditure of Federal Awards (SEFA). This schedule is subject to the Single Audit provisions of 2 CFR 200. As such, the transfer mandate presents an unnecessary administrative burden and imposes undue accounting complexities to ensure that expenditures from the Vermont Community Broadband Fund (VCBF) are capable of being desegregated into their various sources. Direct expenditure of the ARPA funds from the currently established one-time Dept ID [2240892302] ensures compliance with all federal mandates and achieves the objectives required.

Sec. XX 2022 Acts and Resolves No. 185, Sec. G. 600(a)(2) is amended to read:

(2) \$35,000,000 to the Department of Public Service to grant to Efficiency Vermont for the purpose of weatherization incentives to Vermonters with a moderate income. These funds shall be deposited in the Electric Efficiency Fund established under 30 V.S.A. § 209(d)(3) and shall be available for ~~use~~ obligation by Efficiency Vermont through December 31, 2024. Households approved for assistance in this section will also be offered services outlined in subdivision (4) of this subsection.

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EXPLANATION: Provides clarification by substituting the technical term “obligation” for the general term “use” thereby avoiding misinterpretation of intent.

Sec. XX 2022 Acts and Resolves No. 185, Sec. G. 800(a) is amended to read:

(a) The establishment of the following ~~23~~32 new classified limited-service positions is authorized in fiscal year 2023.

EXPLANATION: Technical correction to adjust the number of positions referenced in subsection (a) to the sum of itemized position listed in subsections (a)(1) – (a)(11)(D).

Sec. XX 2021 Acts and Resolves No. 74, Sec. E.127.1(d) is repealed:

~~(d) To fund this work for fiscal year 2022 and fiscal year 2023, notwithstanding 32 V.S.A. § 706, at the close of fiscal year 2021, \$250,000.00 in carryforward from the legislative budget shall be transferred to the JFO.~~

EXPLANATION: The transfer was one-time funding to support the position provided in Section E.127.1(a) for a period of two years. The position was made permanent within the JFO and base funding was received in the FY22 Budget Adjustment Act and FY23 Appropriations Act. As such, the one-time transfer is not needed.

Sec. XX 2022 Acts and Resolves No. 83, Sec. 48 is amended to read:

(d) Notwithstanding any provision of law to the contrary, in fiscal year 2022, the following amounts shall revert to the General Fund from the accounts indicated:

1225001000 Legislative IT	\$60,000.00 <u>\$120,000.00</u>
<u>1230001000 Sergeant-at-Arms</u>	<u>\$60,000.00</u>

EXPLANATION: Technical correction that corrects the 2022 Act 83 Section 48 error that eliminated the original 2021 Act 74 Section D.101 \$60,000 general fund reversion for the Sergeant-at-Arms appropriation and reduced the Legislative IT appropriation’s general fund reversion by \$60,000. This adjustment effectuates the changes expressed in the June 30, 2022 Statement of Legislative Intent’s Act 83 Section 48 paragraph (pp. 4 of 7).

Sec. XX 2022 Acts and Resolves No. 83, Sec. 68 is amended to read:

(28) \$12,803,996-\$12,803,993 to the Department of Labor to cover pandemic related operating costs in the Unemployment system and other programs.

EXPLANATION: Technical adjustment to correct the Department of Labor's allocated amount of ARPA funds and reconcile the subsection totals to the total ARPA funds provided per Act 74 Section G.300 [2021] as amended by Act 83 Section 68 [2022].

Sec. XX 2022 Acts and Resolves No. 83, Sec. 72 is amended to read:

Sec. 72. WORKFORCE RECRUITMENT AND RETENTION INCENTIVE GRANT
FUNDING FOR EMPLOYEES OF ELIGIBLE HEALTH CARE AND SOCIAL SERVICE
EMPLOYERS

(a)(1) Program established. The Secretary of Human Services shall establish a workforce recruitment and retention incentive grant program for employees of eligible employers, as defined in this section. Eligible employers may apply for a grant within the grant application period determined by the Secretary.

(2) For all eligible employers except for home health agencies, tThe total grant award amount for each eligible employer shall be calculated at a rate of \$2,000 per full-time equivalent employee (FTE) based on the number of FTEs identified by the eligible employer in its grant application. For home health agencies, the total grant award amount for each eligible employer shall be calculated at a rate of \$3,000 per full-time equivalent employee (FTE) based on the number of FTEs identified by the eligible employer in its grant application.

~~(4) Eligible employers shall distribute the full amount of their awards within 12 months following receipt of the grant funds.~~

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(f) Allocations. Of the funds made available in subsection (e) of this section, \$45,000,000 shall be allocated for a first round of funding, to be made available to the eligible employers identified in subsection (b) of this section. The remaining \$15,000,000 shall be reserved for a second round of funding pending identification of a set of additional health care and social service provider employers with a demonstrated need for the recruitment and retention incentive grant funding, as recommended by the Agency of Human Services and accepted by the General Assembly, or by the Joint Fiscal Committee if the General Assembly is not in session, except that the Agency is authorized to access all or a portion of the reserved funding to the extent that a funding deficiency is identified when meeting the needs of the first round of eligible employers. Any remaining funds following a second round of funding may be used for one or more of the following workforce recruitment and retention purposes:

(1) Incentive grants to nurses employed by health care employers in Vermont for serving as preceptors for nursing students enrolled in Vermont nursing schools. The Agency shall distribute all or a portion of the remaining funds to health care employers employing nurses who provide student preceptor supervision based on the number of preceptor hours to be provided, at a rate of \$5.00 per preceptor hour, or a lesser hourly rate if the need exceeds the available funds. The Agency shall prioritize funding for health care employers that provide matching funds for additional preceptor compensation or that commit to providing future compensation and support to expanding the number of preceptors.

(2) If nurse preceptors receiving compensation pursuant to a grant awarded to a health care employer under this section are subject to a collective bargaining agreement, the use of the grant funds provided to the health care employer for the nurse preceptors shall be subject to bargaining between the health care employer and the collective bargaining representative of the nurses to the extent required by the collective bargaining agreement.

(3) Grants to health care employers, including hospitals, long-term care facilities, designated and specialized service agencies, federally qualified health centers, and other health care providers, to establish or expand partnerships with Vermont nursing schools to create nursing pipeline or apprenticeship programs, or both, that will train members of the health care employers' existing staff, including personal care attendants, licensed

nursing assistants, and licensed practical nurses, to become higher-level nursing professionals. Through a combination of scholarship awards, grants awarded to health care employers pursuant to this section, grants awarded to health care employers pursuant to Act 183 of 2022 Sec. 22, and the health care employer's contributions, the trainees' tuition and fees shall be covered in full, and trainees shall be provided with assistance in meeting their living costs, such as housing and child care, while attending the program.

EXPLANATION:

- Amendment to Sec.72(a)(2) necessary to expend a portion of the remaining premium pay funds on a 50% increase in grants to home health agencies.
- Amendment to Sec.72(a)(4) necessary to avoid complexities with potential end of public health emergency and the IT platform that supports the grant program.
- Amendment to Sec.72(f) necessary to maximize effectiveness of nursing programs and ensure impact beyond public health emergency. Additional programs will expand programs authorized in Act 183, Secs. 21 and 22 by adding funding and additional health care employer types to the nurse preceptor program and adding a more flexible funding source that can cover living costs for the nursing pipeline or apprenticeship program.

Sec. XX 2022 Acts and Resolves No. 182, Sec. 3 is amended to read:

Sec. 3. MANUFACTURED HOME IMPROVEMENT AND REPLACEMENT PROGRAM

Of the amounts available from ~~federal COVID-19 relief~~ the American Rescue Plan Act (ARPA) recovery funds, the following amounts are appropriated to the Department of Housing and Community Development for the purposes specified:

EXPLANATION: Technical amendment to replace the general reference with the actual fund source used for the subsequent appropriations. This adjustment effectuates the changes expressed in the June 30, 2022 Statement of Legislative Intent's Act 182 Section 3 paragraph (pp. 6 of 7).

Sec. XX 2022 Acts and Resolves No. 182, Sec. 28 is amended to read:

Sec. 28. APPROPRIATION ALLOCATION

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~~To the extent that increased funding is provided in fiscal year 2023 to the Municipal and Regional Planning Fund, \$650,000.00 shall be used for Municipal Bylaw Modernization Grants established in 24 V.S.A. § 4307.~~

An amount not to exceed \$650,000 of Municipal and Regional Planning Funds, as appropriated to the Department of Housing and Community Development per 2002 Act 185 Section B.802, may be used to provide Municipal Bylaw Modernization Grants in accordance with 24 V.S.A § 4307.

EXPLANATION: Technical amendment clarifying that the \$650,000 referenced in 2022 Act 182 Section 28 was an allocation of the amount appropriated in 2022 Act 185 Section B.802 and not an additional appropriation. This adjustment effectuates the changes expressed in the June 30, 2022 Statement of Legislative Intent's Act 182 Section 28 paragraph (pp. 6 of 7).

Sec. XX 2022 Acts and Resolves No. 183, Sec. 16(b)(1) is amended to read:

- (1) Notwithstanding 16 V.S.A. § 4025(d); ~~In~~ in fiscal year 2023, the amount of \$15,000,000.00 is appropriated from the Education Fund to the Vermont Housing and Conservation Board to create and administer the CTE Construction and Rehabilitation Experiential Learning Program and Revolving Loan Fund pursuant to this section

EXPLANATION: Language necessary to implement the use of Education Funds without repealing the education property tax. This adjustment effectuates the changes expressed in the June 30, 2022 Statement of Legislative Intent's Act 183 Section 16 paragraph (pp. 6 of 7).

Sec. XX 2022 Acts and Resolves No. 183, Sec. 25 is amended to read:

(a) In fiscal year 2023, the amount of \$227,169.00 in Global Commitment funds is appropriated to the Department of Health for forgivable loans for nursing students under the Vermont Nursing Forgivable Loan Incentive Program established in 18 V.S.A. § 34 by Sec. 23 of this act.

(b) In fiscal year 2023, the amount of \$100,000.00 is appropriated from the General Fund to the Agency of Human Services, Global Commitment ~~appropriation~~ Program for the State match for the Vermont Nursing Forgivable Loan Incentive Program established in 18 V.S.A. § 34 by Sec. 23 of this act.

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(c) In fiscal year 2023, \$127,169.00 in federal funds is appropriated to the Agency of Human Services, Global Commitment ~~appropriation~~ Program for the Vermont Nursing Forgivable Loan Incentive Program established in 18 V.S.A. § 34 by Sec. 23 of this act.

EXPLANATION: Technical correction to ensure these appropriations are correctly categorized as one-time in nature, and not additive to the Global Commitment base appropriation.

Sec. XX 2022 Acts and Resolves No. 183, Sec. 47(d)(3) is amended to read:

(3) the amount of the cumulative decline in adjusted net operating income during the COVID-19 public health emergency in 2020 and 2021, or other appropriate basis of comparison used to determine eligibility under subdivision (c)(4) of this section.

EXPLANATION: Language ensures maximum loan amount options are consistent with the eligibility criteria in subsection (c)(4).

Sec. XX 2022 Acts and Resolves No. 183, Sec. 53(a) is amended to read:

(a) Reversion. In fiscal year ~~2022-2023~~, of the amounts appropriated in 2021 Acts and Resolves No. 74, Sec. G. 300(a)(13), from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Commerce and Community Development for the Economic Recovery Grant Program, ~~\$25,500,000.00~~ \$25,042,000.00 shall revert to the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds.

EXPLANATION: Technical amendment to adjust reversion to actual amount available for reversion in the appropriate fiscal year.

Sec. XX 2022 Acts and Resolves No. 183, Sec. 54 is amended to read:

Sec. 54. ~~APPROPRIATION;~~ DOWNTOWN AND VILLAGE CENTER TAX CREDIT PROGRAM ~~There is appropriated the sum of \$2,450,000.00 from the General Fund to the Vermont Downtown and Village Center Tax Credit Program to be used in fiscal years 2023 and 2024. Notwithstanding 32 V.S.A. § 5930ee, up to \$5,450,000 the funds shall be used to increase the amount of for tax credits, in fiscal year 2023, that may be awarded to on qualified projects. Notwithstanding 32 V.S.A. § 5930ee, any tax credit capacity for this program not used in FY23 shall carry forward.~~ Of those tax credits awarded in fiscal years 2023 and 2024, up to

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\$2,000,000.00 may be awarded to qualified projects located in designated neighborhood development areas.

EXPLANATION: Tax credits are recorded as a revenue offset and, as such, no appropriation is necessary since no cash outlay from the Treasury is required. The intent of Act 183 Sec. 54 appears to be to add a total of \$2,450,000 to the Downtown and Village Center Tax Credit Program over FY23 and FY24, which are capped at \$3m per year by 32 V.S.A. § 5930ee. A carryforward provision is included to accommodate possible operational limits in awarding the additional funds within the intended timeframe.

Sec. XX 2022 Acts and Resolves No. 186, Sec. 4(b) is amended to read:

(b) In fiscal year 2023, \$102,000.00 is ~~appropriated~~ allocated to the Department of Disabilities, Aging, and Independent Living from the Global Commitment Federal Medical Assistance Percentage (FMAP) home- and community-based services monies appropriated in 2022 Acts and Resolves No. 83 Sec. 72a as amended by 2022 Acts and Resolves No. 185 Sec.105 to fund the Residential Program Developer position established in subsection (a) of this section.

EXPLANATION: Technical language clarifying that the \$102K was not a new appropriation but an allocation of funding from a previous appropriation as amended.

Sec. XX 2022 Acts and Resolves No. 186, Sec. 5(b)(1) is amended to read:

(b)(1) In fiscal year 2023, \$500,000.00 is ~~appropriated~~ allocated to the Department of Disabilities, Aging, and Independent Living from the Global Commitment Federal Medical Assistance Percentage (FMAP) home- and community-based services monies appropriated in 2022 Acts and Resolves No. 83 Sec. 72a as amended by 2022 Acts and Resolves No. 185 Sec.105 to develop housing and residential service pilot planning grants in at least three regions of the State, in partnership with designated and specialized service agencies, for individuals with developmental disabilities and their families. The Department shall issue a request for proposals seeking entities to develop regional pilot planning grants with not more than one grant per designated agency catchment area.

EXPLANATION: Technical language clarifying that the \$500K was not a new appropriation but an allocation of funding from a previous appropriation as amended.

Sec. XX REPEALS; MENTAL HEALTH RISK POOL

1998 Acts and Resolves No. 147, Sec. 138a is repealed effective on passage.

EXPLANATION: Language necessary for the repeal of the Mental Health Risk Pool special fund.

Sec. XX CARRYFORWARD AUTHORITY

(a) Notwithstanding any other provisions of law and subject to the approval of the Secretary of Administration, General, Transportation, Transportation Infrastructure Bond, Education Fund, Clean Water Fund (21932), and Agricultural Water Quality Fund (21933) appropriations remaining unexpended on June 30, 2023 in the Executive Branch of State government shall be carried forward and shall be designated for expenditure.

(b) Notwithstanding any other provisions of law, General Fund appropriations remaining unexpended on June 30, 2023 in the Legislative and Judicial Branches of State government shall be carried forward and shall be designated for expenditure.

EXPLANATION: Annual language establishing administrative carryforward authority.

Sec. XX EFFECTIVE DATES

This act shall take effect upon passage.

EXPLANATION: Establish effective date.