

House Commerce Letter to Appropriations

Department of Labor

Regarding the \$8 Million dollar reversion, we understand that this is due to having general fund dollars that were supplanted by AARPA funds, so the \$8 million should be returned to the general fund. However, in discussions with the Commissioner we have deep concerns that 50% of the claimants wind up in adjudication for 12 weeks or more receiving no compensation until the adjudication is completed. We also understand that the appeals process has been getting better but is still not within the 30 day review required by statute. We had discussions with the Commissioner around the possibility of hiring more staff to assist with the adjudication process and understand that the amount of time required to onboard new adjudicators is extensive. We also anticipate that the new IT system will go live in another 15 months and these issues will not be solved until that program is up and running. Our committee discussed with the Commissioner the possibility of using some of the reverted funds on additional staffing to support Vermonters going through the lengthy UI adjudication process.

Vermont Adult Learning

Vice Chair Graning joined House Education during testimony from Vermont Adult Learning. She gave a report to our committee. The committee supports the language that provides participants in the program that are close to completion the opportunity to receive their diploma under the previous program requirements. In addition, we fully support the one time funds requested by Vermont Adult Learning for this year due to the change in the funding formula.

Department of Financial Regulation

We received the following from Interim Commissioner Bigglestone and the Committee has reviewed and understands the request to rebalance the account. The Committee also cautions that we need to look at any future fee changes prior to modification to understand the landscape and how it may impact future revenue.

“DFR lowered the projected direct app which F&M included in the Budget Adjustment Act, and there are three primary reasons as follows:

- \$1.1 million, Banking Fund surplus was swept in September, so won't be included in our direct app as anticipated.
- \$700k- lower than expected Securities Fund sales rep fee received in January payment.
- \$1.6 million – reversed the 4% projected increase built into Insurance appointments prior to the fee increase. Commissioner Gaffney had been hearing the fee may have a negative impact on appointments.”

Rental Revolving Loan Fund

The Committee fully supports continued funding of this program. We request that any available funding be allocated to this fund to support workforce housing.

Addendum

Child Care Contribution Special Fund/Child Care Financial Assistance Fund

The Committee had a discussion with the CEO of Let's Grow Kids, Aly Richards, regarding the \$13 M of special funds from the payroll tax. We are concerned that this transfer to the general fund could be supplanting general fund dollars which could in the future create a shortfall in the special fund. The committee would rather see a special reserve fund developed to ensure continued growth of child care programming and access to child care through subsidies is not interrupted. Not reserving this money could create a need in the future for an increase to the payroll tax.