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1 (h) Department for Children and Families. In fiscal year 2026, funds are
2 appropriated for the following:

3 * * *

4 (3) \$1,000,000 General Fund for direct aid to the Vermont Foodbank's
5 network partner food shelves and pantries through an equitable statewide
6 distribution of food or subgrants or both; ~~and~~

7 (4) \$156,000 General Fund for the Child Care Apprenticeship Program;
8 and

9 (5) \$150,000 General Fund to make the current child abuse hotline
10 compatible with updated Agency of Digital Services server requirements.

11 * * *

12 (p) Vermont Housing and Conservation Board. In fiscal year 2026, funds
13 are appropriated for the following:

14 (1) \$5,000,000 General Fund to provide support and enhance capacity
15 for the production and preservation of affordable mixed-income rental housing
16 and homeownership units, including improvements to manufactured homes
17 and communities; permanent homes and emergency shelter for those
18 experiencing homelessness; recovery residences; and housing available to farm
19 workers, refugees, and individuals who are eligible to receive Medicaid-funded
20 home and community-based services; and

21 (2) \$1,000,000 General Fund for the Homes for All, Homes for All
22 Phase 2, and Secure Housing Coaching programs.

23 * * *

1 (r) Department of Vermont Health Access. In fiscal year 2026, funds are
2 appropriated for the following:

3 * * *

4 (3) \$10,800,000 Global Commitment for the Support and Services at
5 Home program, the Primary Care Medical Home, and Community Health
6 Team services under the Blueprint for Health; ~~and~~

7 (4) \$1,250,000 Global Commitment for the first year of implementation
8 of the Maple Mountain Family Medicine Residency Program if the Centers for
9 Medicare and Medicaid Services approves the Agency of Human Services'
10 request for federal matching funds pursuant to Sec. E.306.5(a) of this act;

11 (5) \$2,727,046 General Fund for the Vermont Health Connect cloud
12 migration; and

13 (6) \$7,922,365 General Fund and \$160,000 Federal Funds for an
14 alternative payment model reconciliation payment to Brattleboro Retreat. All
15 or a portion of these funds may also be used as matching funds to the Agency
16 of Human Services Global Commitment Program to provide State match. If
17 funds are used as matching funds to the Agency of Human Services Global
18 Commitment Program to provide State match, the commensurate amount of
19 Global Commitment Fund spending authority may be requested during the
20 Global Commitment Transfer process pursuant to Sec. E.301.1 of this act.

21 * * *

22 (ff) Judiciary. In fiscal year 2026, funds are appropriated for the following:

1 (1) \$139,443 General Fund for the establishment and operations of the
2 Chittenden Pilot Court.

3 (gg) Department of State’s Attorneys and Sheriffs. In fiscal year 2026,
4 funds are appropriated for the following:

5 (1) \$36,848 General Fund for Governor’s Chittenden County
6 Accountability Court Project.

7 EXPLANATION: (c)(2): In fiscal year 2026 a repeal of the Telephone
8 Personal Property Tax will take effect and the communications tax base will
9 shift to the property tax. This multi-year appropriation will pay a vendor,
10 currently under contract, to collect inventories and create a new valuation
11 model for communications property over fiscal years 2026–2028. PILOT
12 funds are being used for this project because it enhances municipal grand lists
13 and gives municipalities additional revenues they have not received to date.

14 (e)(4): Office fit up costs for the Agency of Human Services in Waterbury,
15 including new leased space at Pilgrim Place.

16 (g)(7): The balance of the original appropriation, provided pursuant to 2021
17 Acts and Resolves No. 74, Sec. B.1106(a)(10), was reverted at the end of fiscal
18 year 2025 per 32 V.S.A. § 703. An amount equal to this reversion is
19 appropriated to the Health Department to continue activities related to health
20 disparities and health equity.

21 (h)(5): Ensures the Child Abuse Hotline is compatible with updated Agency of
22 Digital Services server requirements.

23 (r)(5): Vermont Health Connect software must migrate to a cloud-based
24 platform by the summer of 2027 to remain compliant with the security and
25 connectivity requirements of the Federal Data Services Hub. The migration
26 ensures support of real-time Medicaid eligibility.

27
28 (r)(6): Brattleboro Retreat Alternative Payment Model Year 5 reconciliation
29 payment.

30 (ff)(1): Establishment and operations of the Chittenden Pilot Court.

31 (gg)(1): To support the Governor’s priority of relieving the backlog of repeat
32 offender criminal cases in Chittenden County, the States’ Attorneys and
33 Sheriffs require additional administrative support. One temp employee’s hours
34 have been increased by 20 per week, and 4 admins are permitted to work up to
35 4 hours per week to assist special prosecutor Zach Weight.

36 (hh)(1): The balance of the original appropriation, provided pursuant to 2024
37 Acts and Resolves No. 181, Sec. 91, was reverted at the end of fiscal year 2025
38 per 32 V.S.A. § 703. An amount equal to this reversion is appropriated to the
39 Land Access Opportunity Board to provide the resources needed for the

Homes for All, Homes for All Phase 2, and Secure Housing Coaching programs.

Sec. 47. 2025 Acts and Resolves No. 27, Sec. D.100 is amended to read:

Sec. D.100 PROPERTY TRANSFER TAX ALLOCATIONS

(a) This act contains the following amounts allocated to special funds that receive revenue from the property transfer tax. These allocations shall not exceed available revenues.

* * *

(2) Notwithstanding 10 V.S.A. § 312, amounts in excess of ~~\$36,964,250~~ \$36,471,750 from the property transfer tax and the surcharge established by 32 V.S.A. § 9602a deposited into the Vermont Housing and Conservation Trust Fund shall be transferred to the General Fund.

(A) The dedication of \$2,500,000 in revenue from the property transfer tax pursuant to 32 V.S.A. § 9610(d) for the debt payments on the affordable housing bond pursuant to 10 V.S.A. § 314 shall be offset by the reduction of \$1,500,000 in the appropriation to the Vermont Housing and Conservation Board and \$1,000,000 from the surcharge established by 32 V.S.A. § 9602a. The fiscal year 2026 appropriation of ~~\$36,964,250~~ \$36,471,750 to the Vermont Housing and Conservation Board reflects the \$1,500,000 reduction. The affordable housing bond and related property transfer tax and surcharge provisions are repealed after the life of the bond on July 1, 2039. Once the bond is retired, the \$1,500,000 reduction in the appropriation to the Vermont Housing and Conservation Board shall be restored.

(3) Notwithstanding 24 V.S.A. § 4306(a)(2), amounts in excess of
~~\$10,000,705~~ \$9,872,655 from the property transfer tax deposited into the
Municipal and Regional Planning and Resilience Fund shall be transferred into
the General Fund. Notwithstanding 24 V.S.A. § 4306(a)(3), the ~~\$10,000,705~~
\$9,872,655 shall be allocated as follows:

(A) ~~\$7,740,546~~ \$7,641,435 for disbursement to regional planning
commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) ~~\$1,260,089~~ \$1,243,955 for disbursement to municipalities in a
manner consistent with 24 V.S.A. § 4306(b); and

(C) ~~\$1,000,070~~ \$987,265 to the Agency of Digital Services for the
Vermont Center for Geographic Information.

EXPLANATION: Adjusts the Property Transfer Tax allocations for the \$1
million revenue downgrade adopted by the Emergency Board at its July 2025
meeting.

Sec. 48. 2025 Acts and Resolves No. 27, Sec. D.101 is amended to read:

Sec. D.101 FUND TRANSFERS

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

(1) From the General Fund (#10000) to the:

* * *

(I) Criminal History Records Check Fund (#21130): \$1,059,324
needed by the Department of Public Safety for deficit mitigation.

1 (J) PILOT Special Fund (#21485): \$67,761.02 cash reimbursement
2 for an excess receipt provided to the Agency of Transportation in support of
3 the appropriation provided pursuant to Sec. E.917 of this act.

4 (2) From the Transportation Fund (#20105) to the:

5 * * *

6 (C) PILOT Special Fund (#21485): \$292,288.98 cash reimbursement
7 for an excess receipt provided to the Agency of Transportation in support of
8 the appropriation provided pursuant to Sec. E.917 of this act.

9 * * *

10 (8) From the Cannabis Regulation Fund (#21998) to the:

11 (A) General Fund (#10000): 70 percent of the unencumbered and
12 unexpended balance of the fund in excess of ~~\$4,035,000~~ \$4,665,150 following
13 the close of fiscal year 2025. The Commissioner of Finance and Management
14 shall report the amount of this transfer to the Joint Fiscal Committee at its July
15 2025 meeting. For purposes of developing the fiscal year 2026 budget, this
16 amount is estimated to be ~~\$8,900,000~~ \$9,182,689.29.

17 (B) Substance Misuse Prevention Special Fund (#21995): 30 percent
18 of the unencumbered and unexpended balance of the fund in excess of
19 ~~\$4,035,000~~ \$4,665,150 following the close of fiscal year 2025. The
20 Commissioner of Finance and Management shall report the amount of this
21 transfer to the Joint Fiscal Committee at its July 2025 meeting. For purposes
22 of developing the fiscal year 2026 budget, this amount is estimated to be
23 ~~\$3,800,000~~ \$3,935,438.27.

(b) The following transfers shall be in accordance with the citations provided. Transfer estimates are for purposes of developing the fiscal year 2026 budget and do not supersede the actual year-end transfer amounts.

(1) To the General Fund (#10000) from the:

(A) 8 V.S.A. § 80(d). Insurance Regulatory and Supervision Fund (#21075): \$46,204,523.

(B) 9 V.S.A. § 5613(c). Securities Regulatory and Supervision Fund (#21085): \$21,745,635.

(C) 27 V.S.A. § 1543. Unclaimed Property Fund (#62100): ~~\$7,389,063~~ \$8,994,314.

* * *

(c) Transfers from the following enterprise funds to the General Fund (#10000) shall not exceed the actual fiscal year end profits earned by the enterprise net of any amount necessary to absolve the fund of a deficit. The following estimated transfers are for purposes of developing the fiscal year 2026 budget only.

(1) From the Sports Wagering Enterprise Fund (#50250): ~~\$7,600,000~~ \$6,678,828.

(2) From the Liquor Control Fund (#50300): ~~\$14,849,754~~ \$16,802,502.

EXPLANATION: (a)(1)(I): Revenues failed to meet expectations. Resources are needed to prevent the fund from incurring a deficit due to the Department of Public Safety – Vermont Crime Information Center salary and benefit costs. (a)(2)(J): The \$1,150,000 PILOT Special Fund appropriation provided the Agency of Transportation, per 2025 Acts and Resolves No. 27, Sec. E.917, was not enough to cover the prior year costs due municipalities upon submission of reimbursement requests. An excess receipt was authorized, per

32 V.S.A. 511, to provide the Agency the spending authority needed with the expectation that the Agency would reimburse the PILOT Special Fund.
(a)(2)(C): The \$1,150,000 PILOT Special Fund appropriation provided the Agency of Transportation, per 2025 Acts and Resolves No. 27, Sec. E.917, was not enough to cover the prior year costs due municipalities upon submission of reimbursement requests. An excess receipt was authorized, per 32 V.S.A. 511, to provide the Agency the spending authority needed with the expectation that the Agency would reimburse the PILOT Special Fund.
(a)(8)(a):2022 Acts and Resolves No. 83, Sec. 53(b)(1) transferred \$850,000 of General Fund (#10000) to the Cannabis Regulation Fund (#21998). This funding was intended for the acquisition of laboratory equipment and supplies once a new location had been established.
2025 Acts and Resolves No, 27, Sec. C.102 transferred the \$15,417,084.32 fiscal year end 2024 balance in the Cannabis Regulation Fund (#21998) to the General Fund (#10000). The transfer inadvertently captured the \$630,150 unobligated balance of the original \$850,00 transfer for laboratory equipment and supplies. The proposed transfer returns this balance to the Cannabis Regulation Fund.
The estimated transfers to the General Fund and Substance Misuse Prevention Special Fund have been updated for actual net transfer amounts now that the fiscal year end 2025 balance is known, post close out, and the retention amount in the Cannabis Regulation Fund has been updated.
(b)(1)(C): Updated Unclaimed Property estimate provided by the State Treasurer in November
(c)(1): Transfer estimates were revised down by the Department of Liquor and Lottery in September. The \$921,172 transfer reduction is based on the revenue share performance and FY25 actuals of \$6,300,000.
(c)(2): Transfer estimates were revised up by the Department of Liquor and Lottery in October. Product sales have exceeded expectations in the current year.
Sec. 49. 2025 Acts and Resolves No. 27, Sec. D.102 is amended to read:

Sec. D.102 REVERSIONS

(a) Notwithstanding any provision of law to the contrary, in fiscal year 2026, the following amounts shall revert to the General Fund from the accounts indicated:

* * *

1260892201 TRE – Bond Redemption	\$6,000,000.00
<u>1210892401 LEG-Basic Needs Budget Members</u>	<u>\$7,000.00</u>

1	<u>1220892402 JFO-Renewable Energy Standard</u>	<u>\$65.00</u>
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2	<u>1220892403 JFO-Basic Needs Budget Assist</u>	<u>\$10,000.00</u>
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3 * * *

4 (c) Notwithstanding any provision of law to the contrary, in fiscal year

5 2026, the following amount shall revert to the Tobacco Litigation Settlement

6 Fund from the account indicated:

7	<u>3400891802 Invest Substance Use Treat</u>	<u>\$1,500.38</u>
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8 EXPLANATION: (a) 2025 Acts and Resolves No. 27, Sec. F.182(b) requires
9 all unobligated and unexpended spending authority in the Legislative and
10 Judicial branches remaining at the close of fiscal year 2025 to automatically
11 carry forward for use in fiscal year 2026. Spending authority, therefore, does
12 not revert automatically per 32 V.S.A. § 703 and can only be reverted by an act
13 of the General Assembly.

(c) 2018 (Special Session) Acts and Resolves No. 11, Sec. C.106.1(a) requires all unobligated and unexpended spending authority in the Tobacco Litigation Special Fund remaining at the close of each fiscal year to automatically carry forward for use in the next fiscal year. Spending authority, therefore, does not revert automatically per 32 V.S.A. § 703 and can only be reverted by an act of the General Assembly.

20 Sec. 50. 2025 Acts and Resolves No. 27, Sec. D.103 is amended to read:

21 Sec. D.103 RESERVES

22 (a) Notwithstanding any provision of law to the contrary, in fiscal year

23 2026, the following reserve transactions shall be implemented for the funds

24 provided:

25 (1) General Fund.

26 * * *

27 (D) The first \$74,908,097.53 of any fiscal year-end balance otherwise

28 subject to the requirements of 32 V.S.A. § 308c(a) and 32 V.S.A. § 308d shall.

29 instead, be reserved for property tax relief in the subsequent fiscal year. Any

proceeds reserved in accordance with the requirements of this subdivision shall automatically be unreserved for use on July 1 of the subsequent fiscal year.

* * *

(4) Education Fund.

(A) The \$13,000,000 reserved pursuant to 2023 Acts and Resolves No. 52, Sec. 2 is unreserved.

EXPLANATION: (a)(1)(D): The first \$74,908,097.53 of any fiscal year end 2026 General Fund balance otherwise subject to reservation in the Balance Reserve and prior to any child care contribution reservation shall instead be reserved for use in fiscal year 2027. The provision automatically unreserves any balance subject to this provision on July 01 of the subsequent fiscal year. (a)(4)(A): 2023 Acts and Resolves No. 52, Sec.2 reserved \$13 million to offset property tax increases in fiscal year 2025 and required the Tax Commissioner to assume these funds would be unreserved when calculating the fiscal year 2025 Education Fund property tax yields. The yields were calculated as required but the \$13 million was never unreserved. This is a technical correction to a prior year oversight.
Sec. 51. 2025 Acts and Resolves No. 27, Sec. E.100 is amended to read:

Sec. E.100 POSITIONS

* * *

(e) The conversion of ~~nine~~ ten limited service exempt positions to permanent exempt status is authorized in fiscal year 2026 as follows:

* * *

(2) Land Use Review Board:

(A) one Executive Director.

EXPLANATION: Converts the Land Use Review Board Executive Director position from limited service exempt to permanent exempt.
Sec. 52. 2025 Acts and Resolves No. 27, Sec. E.301 is amended to read:

Sec. E.301 SECRETARY'S OFFICE; GLOBAL COMMITMENT

* * *

1 (b) In addition to the State funds appropriated in Sec. B.301 of this act, a
2 total estimated sum of ~~\$27,887,533~~ \$27,868,051 is anticipated to be certified as
3 State matching funds as follows:

4 (1) \$24,714,000 certified State match available from local education
5 agencies for eligible special education school-based Medicaid services under
6 Global Commitment. This amount, combined with \$35,286,000 of federal
7 funds appropriated in Sec. B.301 of this act, equals a total estimated
8 expenditure of \$60,000,000. An amount equal to the amount of the federal
9 matching funds for eligible special education school-based Medicaid services
10 under Global Commitment shall be transferred from the Global Commitment
11 Fund to the Medicaid Reimbursement Special Fund established by 16 V.S.A.
12 § 2959a.

13 (2) ~~\$3,173,533~~ \$3,154,051 certified State match available from local
14 designated mental health and developmental services agencies for eligible
15 mental health services provided under Global Commitment.

16 * * *

17 **EXPLANATION: Subsection (b) is amended to reflect current estimates.**

18 Sec. 53. 32 V.S.A. § 308d is added to read:

19 (a) Annually, not later than the close of the first week of the new fiscal
20 year, the Department of Taxes and the Joint Fiscal Office shall provide the
21 Department of Finance and Management a consensus estimate of the
22 anticipated fourth quarter receipts from the Child Care Contribution, pursuant
23 to chapter 246 of this title, for the fiscal year being closed.

1 (b) As part of the annual fiscal year closeout process, the Commissioner of
2 Finance and Management shall reserve an amount of General Fund dollars
3 equal to the consensus estimate provided in subsection (a) of this section prior
4 to executing the requirements of section 308c of this title.

5 (c) Upon completion of the annual fiscal year end General Fund closeout
6 process, the Commissioner of Finance and Management shall immediately
7 unreserve the amount reserved pursuant to subsection (b) of this section.

8 (d) If the amount unreserved pursuant to subsection (c) of this section is
9 determined to be greater than the actual receipts due to the Child Care
10 Contribution Special Fund, then the excess shall immediately be reserved in
11 accordance with section 308c of this title.

12 (e) If the amount unreserved pursuant to subsection (c) of this section is
13 determined to be less than the actual receipts due to the Child Care
14 Contribution Special Fund, then the amount of the deficiency shall
15 immediately be unreserved from the General Fund Balance Reserve
16 established pursuant to section 308c of this title.

17 **EXPLANATION:** Establishes an annual procedure to be implemented as part
18 of the fiscal year end close out process. The procedure ensures any cash
19 received in the General Fund, from the Child Care Contribution's fourth
20 quarter receipts, is not consumed by the General Fund Balance Reserve
21 process provided in 32 V.S.A. §308c during fiscal year end close. Upon
22 reconciliation of the actual receipts to the consensus estimate, the amount due
23 to the Child Care Contribution Special Fund is transferred from the General
24 Fund per current practice. This language was developed and agreed to by the
25 Department of Finance and Management, the Tax Department and the Joint
26 Fiscal Office for inclusion in the fiscal year 2026 Budget Adjustment.

27 Sec. 54. CARRYFORWARD

1 (a) Notwithstanding any other provisions of law and subject to the approval
2 of the Secretary of Administration, General Fund (#10000), Transportation
3 Fund (#20105), Transportation Infrastructure Bond Fund (#20191), Education
4 Fund (#20205), Technology Modernization Special Fund (#21951), Clean
5 Water Fund (#21932), and Agricultural Water Quality Fund (#21933)
6 appropriations remaining unexpended on June 30, 2026, in the Executive
7 Branch shall be carried forward and shall be designated for expenditure.

8 (b) Notwithstanding any other provisions of law, General Fund
9 appropriations remaining unexpended on June 30, 2026, in the Legislative and
10 Judicial Branches shall be carried forward and shall be designated for
11 expenditure.

12 **EXPLANATION: (a) Standard annual language providing the Secretary of**
13 **Administration the authority to approve the carry forward of existing spending**
14 **authority into the next fiscal year, within the executive branch, for the funds**
15 **enumerated.**

16 **(b) Standard annual language allowing fiscal year end spending authority to**
17 **carryforward automatically for the Legislature and Judiciary.**

18
19 Sec. 55. EFFECTIVE DATE

20 (a) This act shall take effect upon passage.

21 **EXPLANATION: Standard annual language establishing the effective date for**
22 **the Act and any individual provisions within the act.**