



STATE OF VERMONT
HOUSE OF REPRESENTATIVES

MEMORANDUM

To: Chairs and Members, House Policy Committees

From: Representative Robin Scheu, Chair, House Committee on Appropriations

Date: January 15, 2026

Subject: Guidance to Policy Committees Regarding Fiscal Year 2027 Budget Testimony

Budget testimony from agencies and departments should clarify both resource needs and expected outcomes, not just restate requests. Testimony should:

- Support effective, informed budget decision-making
- Enhance budget submission usefulness and responsiveness
- Ensure appropriators receive the information they need

Role of Policy Committees

Policy committees play a critical role by:

- Preparing members for informed questioning
- Helping appropriators understand:
 - The *need* for resources
 - The *impact* of proposed spending
- Going beyond reviewing budget requests to asking the *right questions*

Note: Budget submission guidelines may need improvement. Some changes will take more than one year for departments to implement.

Preparing Before Testimony

Build a baseline understanding of the agency. Review in advance:

- Current-year and prior-year budget documents
- Agency or department websites
- Legislative reports

Your goal is to lay the groundwork for focused, productive testimony.

Questions to Consider Before Testimony

Understand the agency's mission.

- What does the agency or program do?
- Why does it exist?
- What problem is it trying to solve?

Look for context and comparison.

- Do other states perform these activities?
- If so, how do their approaches differ?

Use Testimony Time Strategically

Remember:

- Time is limited for committees and agencies.
- Focus discussion on information needed to evaluate budget requests.
- Use discretion in how much time you devote to typical annual items such as salary, benefits, or changes in internal service funds. These budgetary increases aren't necessarily relevant to understanding the broader policy work of a department.

Important considerations:

- Agencies present the *administration's* priorities — not the Legislature's.

- There may be tension between agency requests and state fiscal realities.
- Resources are finite; tradeoffs matter.

Clarify the Problem First

Agencies may jump straight to solutions. Don't hesitate to ask:

- What is the underlying problem?
- How did the problem arise?
- What happens if nothing is done?

Other useful framing questions include:

- What are the consequences of action?
- What are the consequences of inaction?

Focus on Core Budget Fundamentals

Every request should clearly address:

- What problem is being addressed?
- What is happening under the current situation?

Consider:

- Are there negative outcomes occurring now?
- What evidence exists about current conditions?
- Are there federal requirements involved?

Evaluating the Proposed Solution

Assess how the request works.

- How will a budget change improve the situation?
- What happens if the status quo is maintained?
- How would this be administered? Can you use existing resources, do you need new positions, or is it contracted work?

Test the assumptions.

- Are the assumptions accurate?
- Will the proposal technically work as intended?
- How do you define success?

Explore Alternatives

Look beyond the proposed request.

- What other solutions might exist?
- Are there lower cost or phased options?

Compare tradeoffs.

- Pros and cons of alternative approaches
- Short-term vs. long-term impacts

Understand the Impact

Ask who is affected.

- Who benefits from the proposed change?
- Who is impacted if no change is made?

Equity and scope considerations.

- Are impacts statewide or targeted?
- Are certain populations disproportionately affected?

Key Takeaways for Committees

- Prepare in advance
- Use testimony time intentionally
- Start with the problem, not the solution
- Test assumptions and outcomes
- Understand tradeoffs and impacts

Strong questions lead to better budget decisions.