



## Vermont State Employees' Association

155 State Street, Montpelier, VT 05602;

Phone: (802) 223-5247

Fax: (802) 223-4035 E-mail: [vsea@vsea.org](mailto:vsea@vsea.org)

Website: [www.vsea.org](http://www.vsea.org)

### Vermont State Employees' Association FY27 Budget Requests

- **Transportation Fund in Crisis:**

VSEA implores the Vermont House Appropriations Committee and Transportation Committee to take immediate action to prevent further layoffs at the Agency of Transportation (AOT) that are included in the Governor's FY27 recommended budget. The fiscal crisis in the Transportation Fund is the inevitable and predictable result of an ideological crusade to starve state government of revenue by not adjusting nominal tax rates for inflation for over a decade. Meanwhile, due to a combination of inflation, labor shortages and tariffs, building costs have increased over 60% since 2020. AOT already eliminated 31 positions last fall; an additional cut of 31 positions will further hinder AOT's ability to maintain Vermont's aging infrastructure. All options, including increased revenue, utilization of General Fund surplus (although not a long-term solution), or cuts of classified managers at the agency should be on the table to avoid further deterioration of Vermont's infrastructure and layoffs of rank-and-file state employees. Please do not balance the budget on the backs of essential workers who maintain, and repair Vermont's delapidated infrastructure.

- **Invest in Public Safety/Reduce State's Attorney's Office Back:**

VSEA thanks the House Appropriations Committee for their recent investments into the Department of State's Attorney's and Sheriffs. The increase in the number of Deputy State's Attorneys has lowered the caseload among Prosecutors to a more manageable, albeit still high, 300 cases per attorney. Unfortunately, the lack of investment in additional victim advocates and administrative support staff is still creating a bottle neck and stifling progress to remediate the judicial backlog. Today, the average caseload for each administrative staff person is 800 cases, while caseloads for victim advocates exceed 600 cases per advocate. Considering these ongoing challenges and Vermonters' demands for safety and accountability, VSEA respectfully requests that the House Appropriations Committee fund the entirety of the position requests included in the Department of State's Attorneys budget request.



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VSEA respectfully requests the House Appropriations Committee fund the following positions:

- Six Administrative Support Staff/ Paralegals (\$650,000)
- Four Victim Advocates (\$320,000)

VSEA also requests an elimination of the unachievable \$330,000 vacancy savings target included in the Governor's FY27 budget recommendation. This arbitrary vacancy savings target will require the Department to hold three positions unfilled, compromising public safety and reducing progress on eliminating the judicial backlog.

- **Vermont State Colleges/Protecting Vermont's Investment:**

VSEA supports the 3% increase in base funding that is included in the Governor's FY27 budget. VSEA further supports the Vermont State College's recommendation of an additional \$2.4 million in "Allied Health" funding to maintain the training of critically-needed nurses, radiological techs, respiratory therapists and other healthcare fields where Vermont currently has an acute shortage. To protect Vermont's ongoing investment in rural higher education and combat our demographic crisis, VSEA asks that the House Appropriations committee fund VSAC's request for \$2.3 million in base funding for "Freedom and Unity" grants to expand access to higher education for lower-middle income Vermonters. Finally, VSEA supports the VSC's request for \$1 million in additional capital funds to plan for the renovation of excess dorm space into apartment-style housing. This funding will help the VSC better suit the needs of their students, while also addressing Vermont's dire housing shortage.

- **Pension Funding/ Waterfall Language:**

VSEA requests that the House Appropriations Committee maintain full funding for the ADEC (Actuarially Defined Employer Contribution), and base funding for the pension plus payment pursuant to the recommended changes agreed by the parties in the Pension Benefits, Design and Funding Taskforce of 2021-2022 and included in the Governor's FY27 Recommended Budget. Unfortunately, the Governor's Budget has proposed to continue violating part of the recommendations of the Pension Task Force. Specifically, the Governor's recommended language nullifies 32 V.S.A. § 308c(a) for FY26, relating to end-of-fiscal-year reserves. Notwithstanding, this language contradicts the agreement of the Pension Task Force by ending the practice of transferring 25% of surplus funds to VSERS and another 25% to VSTRS. VSEA requests that the House Committee uphold the pension agreement, continue Vermont's aggressive approach to paying down our unfunded liability and saving taxpayer money in the long-term.



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- **Respecting Collective Bargaining/ Funding of the Pay Act:**

VSEA humbly requests the Vermont House Appropriations Committee fully fund the collective bargaining agreements within FY27 Pay Act, pending the Pay Act's introduction after Town Meeting week. The Pay Act funding "placeholder" included in the Governor's budget will be insufficient to meet the fiscal needs of the Judiciary and Corrections Collective Bargaining Agreements, as those agreements were finalized after the Governor's budget was introduced. It should also be noted that the Judiciary Pay Act request will fund reclassifications resulting from a grievance settlement at the Vermont Labor Relations Board. This settlement is nullified if the Judiciary Pay act is not sufficiently funded. VSEA thanks the House Appropriations Committee for the past and ongoing support of the collective bargaining process by funding these agreements.

- **Market Factor Adjustment for Nursing/Reducing Traveler costs:**

VSEA recommends that the House Appropriations Committee include budget language in the FY27 budget to order the Department of Human Resources to review and increase the Market-Factor Adjustment (MFA) for nursing positions in state government. Significant nursing vacancies at the Department of Mental Health and Vermont Veterans' Home have forced state government to rely on expensive and inconsistent travelling nurse staff who cost 20-30% more than their classified state employee counterparts. The continued reliance on travelling nurses is not only penny wise and pound foolish, but it also impedes the provision of consistent public services to Vermonters. An increase in the market factor adjustment for nursing positions could save the state money by reducing costs on travelling staff, while increasing the State's ability to recruit and retain nurses who are interested in providing a public service to Vermont's veterans or medically vulnerable individuals for the long term.