



**STATE OF VERMONT**  
HOUSE OF REPRESENTATIVES  
HOUSE COMMITTEE ON COMMERCE  
AND ECONOMIC DEVELOPMENT

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**MEMORANDUM**

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

From: Representative Michael Marcotte, Chair, House Committee on Commerce and Economic Development

Date: February 27, 2025

Subject: House Commerce recommendations on the FY26 budget

The House Committee on Commerce and Economic Development thanks the House Committee on Appropriations for the opportunity to comment on provisions of Governor's proposed fiscal year 2026 budget. In response to your request, the Committee reviewed the proposals and have provided feedback below. Unless otherwise noted, the Committee voted unanimously on each proposal.

The Committee respectfully submits the following:

- **B.1100(n)**
  - Department of Housing and Community Development. In fiscal year 2026, funds are appropriated for the following:
    - (1) \$300,000 General Fund for two limited-service positions to continue an additional year.
      - **This Committee supports this request**
      - **Priority: High**
    - (2) \$9,100,000 General Fund for the Vermont Bond Bank – Vermont Infrastructure Sustainability Fund
      - **This Committee supports this request**
      - **Priority: High**
    - (3) \$15,000,000 General Fund for the Vermont Housing Finance Agency Rental Revolving Loan Fund.
      - **This Committee supports this request**
      - **Priority: High**
    - (4) \$15,000,000 General Fund for the Vermont Housing Finance Agency Middle Income Homeownership Development Program
      - **This Committee supports this request**
      - **Priority: High**

- **B.1100(o)**
  - Department of Economic Development. In fiscal year 2026, funds are appropriated for the following:
    - (1) \$250,000 General Fund for the Vermont Professionals of Color Network.
      - **This Committee supports this request**
      - **This Committee also supports an additional one-time appropriation of \$100,000 for business technical assistance**
      - **Priority: High**
    - (2) \$2,000,000 General Fund for the Brownfields Revitalization Fund
      - **This Committee supports this request**
      - **This Committee also supports an additional one-time appropriation of \$4,000,000 with \$2,000,000 allocated to RPCs for assessment grant funds**
        - **For the grant assessment funds, projects supported by this appropriation shall not be limited to \$200,000 grants per parcel for remediation**
      - **Priority: High**
- **C.103**
  - (h) Department of Economic Development. In fiscal year 2025, funds are appropriated for the following:
    - (2) \$2,000,000 General Fund for a grant to the Vermont Economic Development Authority to establish a disaster relief fund for use by businesses following a natural disaster
      - **This Committee supports this request and the policy language for this request will be found in H.398.**
- **E.504.1**
  - (a) Notwithstanding 16 V.S.A. § 4025(b), of this Education Fund appropriation, the amount of:
    - (1) \$921,500 is available for dual enrollment programs notwithstanding 16 V.S.A. § 944(f)(2);
      - **This Committee supports this appropriation**
    - (2) \$2,400,000 is available to support the Vermont Virtual High School;
      - **This Committee supports this appropriation**
    - (3) \$400,000 is available for secondary school reform grants; and
      - **This Committee does not have an opinion on this appropriation as it is unfamiliar with the program**
    - (4) \$4,200,000 is available for Early College pursuant to 16 V.S.A. § 4011(e).
      - **This Committee supports this appropriation**
    - (5) \$2,518,755 is available for the Adult Education and Secondary Credential Program
      - **This Committee supports this appropriation**

- (b) Of the appropriation in Sec. B.504 of this act, \$921,500 from the General Fund is available for dual enrollment programs.
  - **This Committee supports this appropriation**
- **E.605**
  - (a) Of the funds appropriated to the Vermont Student Assistance Corporation in Sec. B.605 of this act:
    - (1) \$25,000 shall be deposited into the Trust Fund established in 16 V.S.A. § 2845;
    - (2) not more than \$300,000 may be used by the Vermont Student Assistance Corporation for a student aspirational initiative to serve one or more high schools; and
    - (3) not less than \$1,000,000 shall be used to continue the Vermont Trades Scholarship Program established in 2022 Act and Resolves No. 183, Sec. 14.
      - **This Committee supports this appropriation**
      - Priority: High
- **E.605.1**
  - (a) Notwithstanding 16 V.S.A. § 4025, the sum of \$41,225 Education Fund and \$41,225 General Fund is appropriated to the Vermont Student Assistance Corporation for dual enrollment and need-based stipend purposes to fund a flat-rate, need-based stipend or voucher program for financially disadvantaged students enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early college pursuant to 16 V.S.A. § 946 to be used for the purchase of books, cost of transportation, and payment of fees. The Vermont Student Assistance Corporation shall establish the criteria for program eligibility. Funds shall be granted to eligible students on a first-come, first-served basis until funds are depleted.
    - **This Committee supports this appropriation**
    - Priority: High

## **Advance Vermont**

- Request: Appropriate \$350,000 in FY26 and put into base funding for MyFutureVT
  - **This Committee supports this request**
  - Priority: High

## **Vermont Student Assistance Corporation**

- Proposal: 3.6% increase to base funding to expand eligibility for 802 Opportunity
  - **This Committee supports this request but** has concerns about increasing the maximum household income for eligibility due to future funding of the McClure Free Degree Promise

- The Committee is also concerned that the successful teacher loan forgiveness program and the mental health professional loan forgiveness program are not funded in the suggested budget
  - **This Committee supports** an additional appropriation in FY26 of \$3.9 million for Vermont Teacher Forgivable Loan Program (Priority: High)
  - **This Committee supports** an additional appropriation in FY26 of \$1 million for the Vermont Mental Health Professional Forgivable Loan Program (Priority: High)
- Request: \$5.2 million to create Freedom & Unity Scholarship
  - **This Committee supports this request if funds are available**

### **Vermont Community Action Partnership**

- Request: Seeking \$1.65 million in base funding in FY26 for the MBDP, VITA Tax and Financial Coaching programs up \$593,000 from FY25).
  - MBDP: Requesting \$581,000 for FY26 (\$88,000 increase from FY25)
  - VITA: Requesting \$548,000 for FY26 (a \$148,000 increase from FY25)
  - FINANCIAL COACHING: Requesting \$528,000 for FY26 (\$358,000 increase from FY25)
- **This Committee supports this request**
- Priority: High

### **Small Business Technical Assistance Exchange**

- Request: Seeking \$1.25 million
  - **This Committee supports this request**
  - Priority: High

### **Vermont Housing and Conservation Board**

- Request: Governor's recommended budget has VHCB funded at \$36.9 million. VHCB would like the full statutory share
  - **This Committee supports this request and at the full statutory share, if feasible**
  - Priority: High

### **Vermont Association of Planning and Development Agencies**

- Proposal: \$7,740,546 in RPC funding as proposed in the Governor's recommended budget (Sec. D.100(a)(3)(A)), which includes a 3% increase in our funding consistent with State agencies.
  - **This Committee supports this request**
  - Priority: High
- Proposal: \$3,000,000 for the Municipal Technical Assistance Program as proposed in the Governor's recommended budget (Sec. B.1100(a)(3)).
  - **This Committee supports this request**
  - Priority: High

## **Serve, Learn, Earn**

- Request: Increase the \$500,000 in the base budget to \$2.5 million
  - **This Committee supports a \$1.5 million appropriation with an increase to \$2.5 million if funds are available**

## **Free Degree Promise (McClure Foundation)**

- Request: \$250,000 one-time appropriation
  - **This Committee is unable to support this request** as it has not yet received the policy language

## **Vermont Arts Council**

- Request: Increase of \$68,737 in FY26 to what is in Governor's recommended budget (\$1,003,000 is what is currently in budget) in order to draw down the full amount of federal funding
  - **This Committee supports this request**
  - Priority: High
- Request: \$120,000 in a one-time appropriation to create film and media database and to fund a part-time staff position
  - **This Committee supports this request**
  - Priority: High

## **Working Lands Coalition**

- Proposal: \$1 million in Governor's recommended budget
  - **This Committee supports this request**
  - Priority: High
- Request: Increase of \$2 million from Governor's base budget
  - **This Committee supports this request if funds are available**

## **Downtown Tax Credits**

- Request: Governor proposing increase funding to \$5 million
  - **This Committee supports this request**
  - Priority: High

## **UVM Tech Hub**

- Request: \$1 million for 2 years of programming
  - **This Committee supports this request**
  - Priority: High

## **International Trade Division (ACCD)**

- Request: \$350,000 to hire international recruitment consultants and expand State presence at trade shows (in Governor's recommended budget)
  - **This Committee supports this request**
  - Priority: High

## **Child Care Funding (Act 76)**

- Proposal: Cut General Fund allocation by \$19 million; taken in extra dollars in payroll taxes
  - **This Committee does not support this proposal (10-1-0)**

## **Hunger Free Vermont**

- Restaurant Meals Program
- Request: \$313,270 as follows
  - \$125,082 in base funding to the Department for Children and Families, Economic Services Division to fund a one full time staff position to administer the program.
  - \$8,188 in base funding to cover the monthly operations fee for the card processing fees
  - \$105,000 in one time funding for the SNAP processing implementation fee for the card processing company
  - \$75,000 in one time funding to cover restaurant equipment, start up costs, and informational materials
  - **This Committee supports the concept but cannot support the budgetary request until policy language is proposed.**