

# FY 2027 Budget Summary



## Fiscal Year 2027 Governor's Budget Recommendations

Philip B. Scott  
Governor of Vermont  
*January 20, 2026*





January 20, 2026

Dear Members of the General Assembly and Fellow Vermonters:

Since coming to office, I have asked my team to keep three key goals in mind: Grow the economy, make Vermont more affordable, and protect the most vulnerable. This is not a slogan. It's a principle we apply every day, and it governs every budget we build.

By setting clear priorities, we can keep our investments and policy decisions focused on the areas of greatest need, and with the greatest impact for Vermonters. Strengthening the areas of education, housing, affordability and public safety are key to reversing our demographic trends, growing our workforce and bringing in more revenue organically – instead of always asking taxpayers for more. When the legislature worked with us to pass budgets that reflected these principles, we've had success.

For years, Vermont has benefitted from billions of federal stimulus dollars. This includes COVID relief funds, American Rescue Plan Act (ARPA) dollars and Infrastructure Investment and Jobs Act (IIJA) money to help us through the pandemic. Using these funds, we made strategic and historic investments in housing, broadband, infrastructure, climate change mitigation, community revitalization, weatherization and more. The good news is that money is still circulating through our

communities as those projects and initiatives are carried out. But it is no longer available for new initiatives.

And today, even the traditional funding we've come to expect from Washington is uncertain. So, it is more important than ever to focus on the issues we control, stay disciplined, and set clear priorities to ensure Vermonters get the most out of the resources we have.

This year, I am presenting a \$9.4 billion budget, across all funds (state and federal). Last week the state's General Fund revenue forecast was downgraded. That hasn't happened since 2017. And while we have enough revenue to meet our obligations, just doing what we did last year costs \$139 million more this year.

The Transportation Fund revenues, totaling \$317 million, were also downgraded by \$9 million from last January. We've known supporting the Transportation Fund with the gas tax would eventually lead to shortfalls as fuel mileage has improved and electric vehicle use has grown, and previous legislatures have taken money from this Fund to support other areas of government. We need to fix this structural issue with strategic budgeting decisions – like keeping transportation revenue in the Transportation Fund – **not** by raising taxes on Vermonters.

Fixing structural issues is also necessary to stabilize our Education Fund, which will require \$2.56 billion dollars this year. That total represents a 39% increase in just the last five years. The increase has required a 41% increase in property taxes. We also dedicate about \$800 million from revenue sources like the sales tax, lottery proceeds, motor vehicle purchase and use, and more to cover Education Fund costs. This amount would concern me even if our children were receiving a top-quality education. But they're not. Vermont is a leader in per pupil spending, but we're nowhere near where we should be in outcomes. This is why following through on education transformation is essential. We can't continue to prop up a failing system at the expense of other priorities, and we can't ask Vermonters to continue to pay more while providing less for our kids.

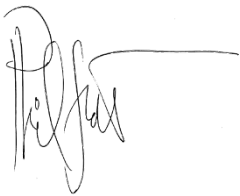
While we do the hard work to fix the structural issues in education, my budget proposes dedicating \$105 million to help reduce the burden of yet another property tax increase for Vermonters.

With the federal stimulus funds allocated, and these ongoing and significant pressures, this budget looks a lot more like those from before the pandemic. Our budget decisions are based on clear priorities and economic realities. Though our revenue picture is changing, we are still funding critical programs and services and investing in the initiatives that will improve our economic foundation.

Importantly, what we have seen after making so many historic investments over the last several years is that **funding alone** doesn't fix broken systems. So, on top of the investments my budget makes, my Administration is proposing – and in many cases, re-proposing after inaction in previous years – transformational reforms in education, housing, healthcare, energy affordability and public safety.

There is no doubt that we are at a time of great transition. But if we embrace these challenges as opportunities, learn from the past, and strive for progress, we can move towards the future better equipped to serve Vermonters with the tools to confront whatever the next challenge may be.

Sincerely,

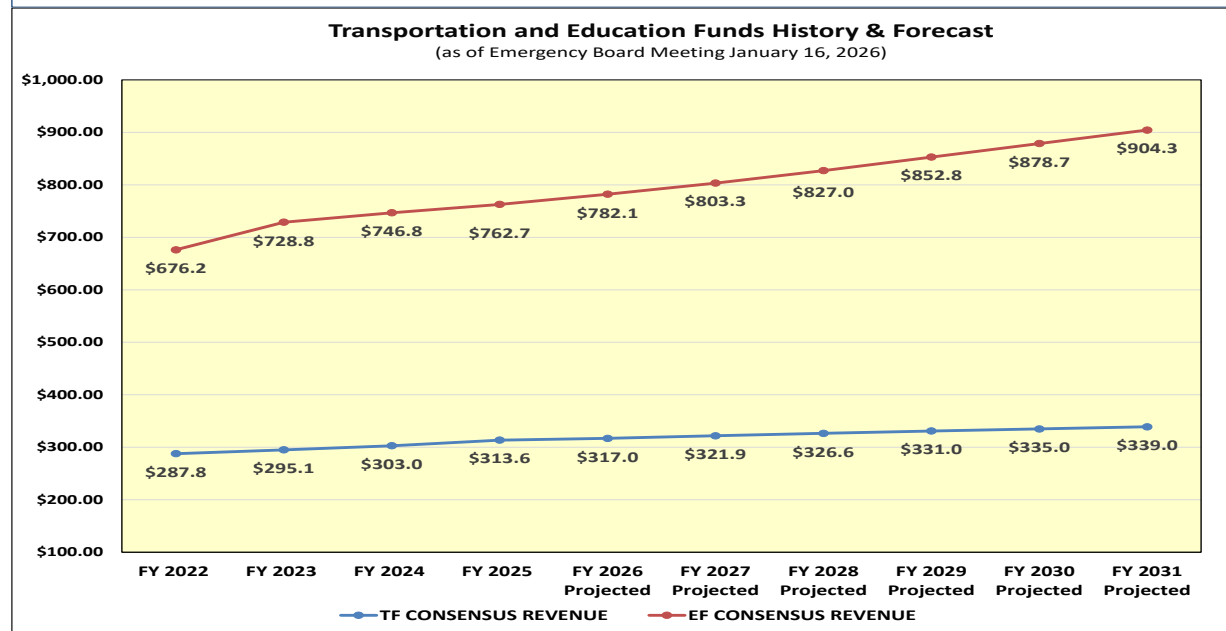
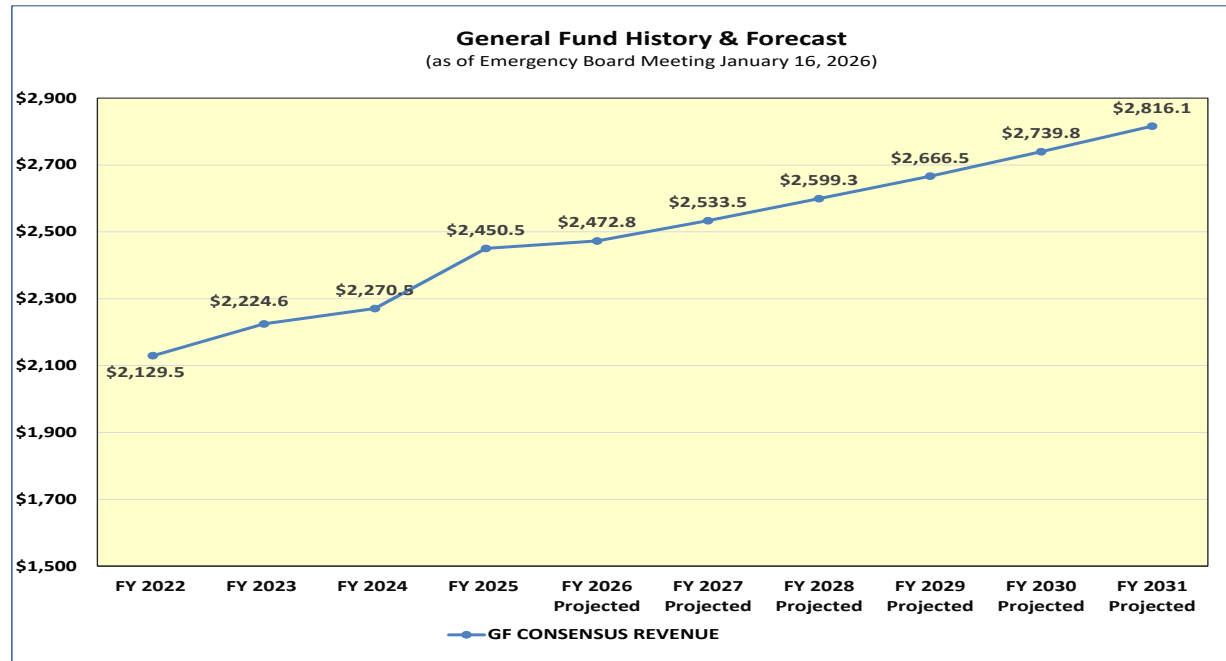
A handwritten signature in black ink, appearing to read 'Philip B. Scott', with a long horizontal line extending to the right.

Philip B. Scott  
Governor

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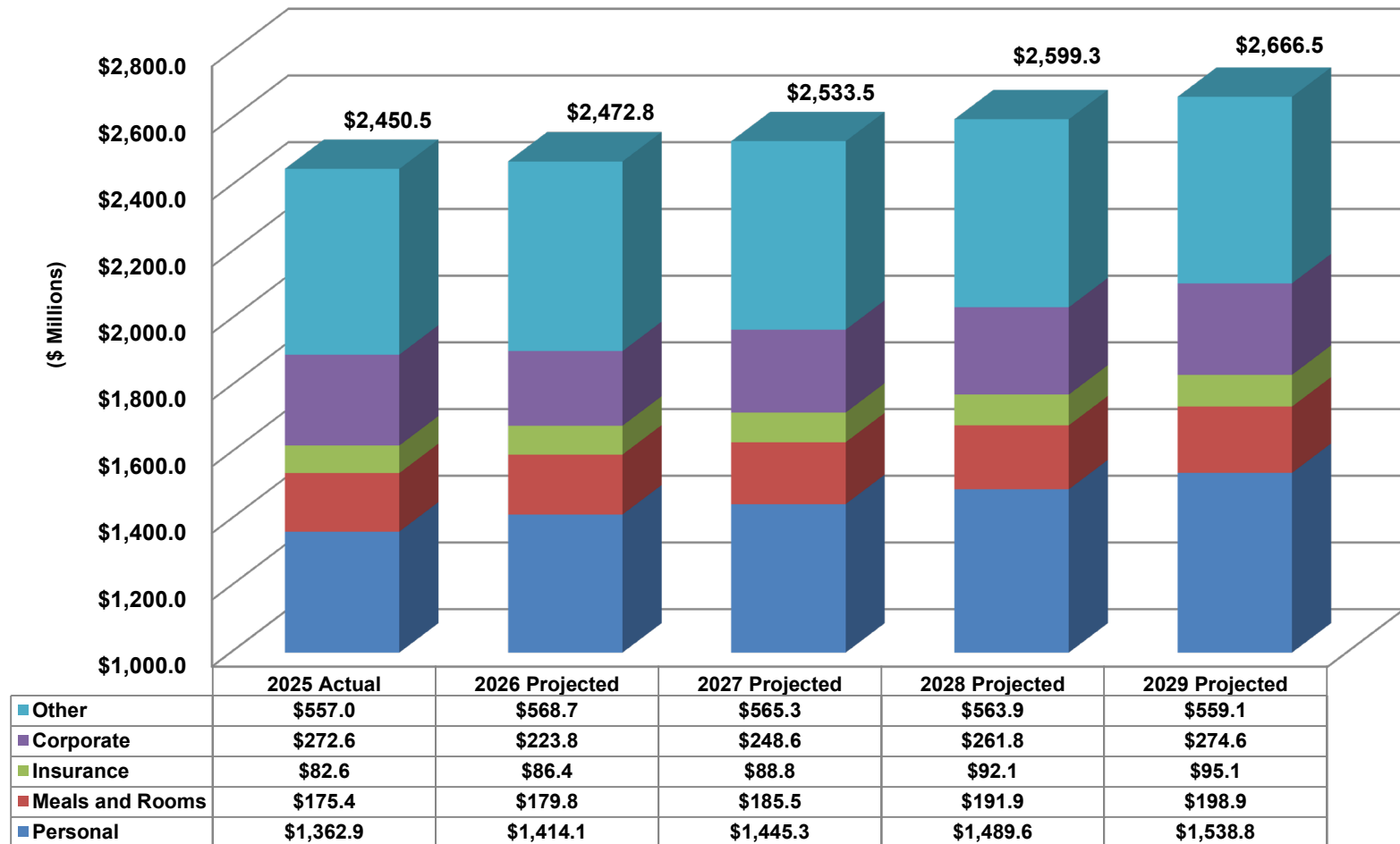
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# CONSENSUS REVENUE HISTORY & FORECAST



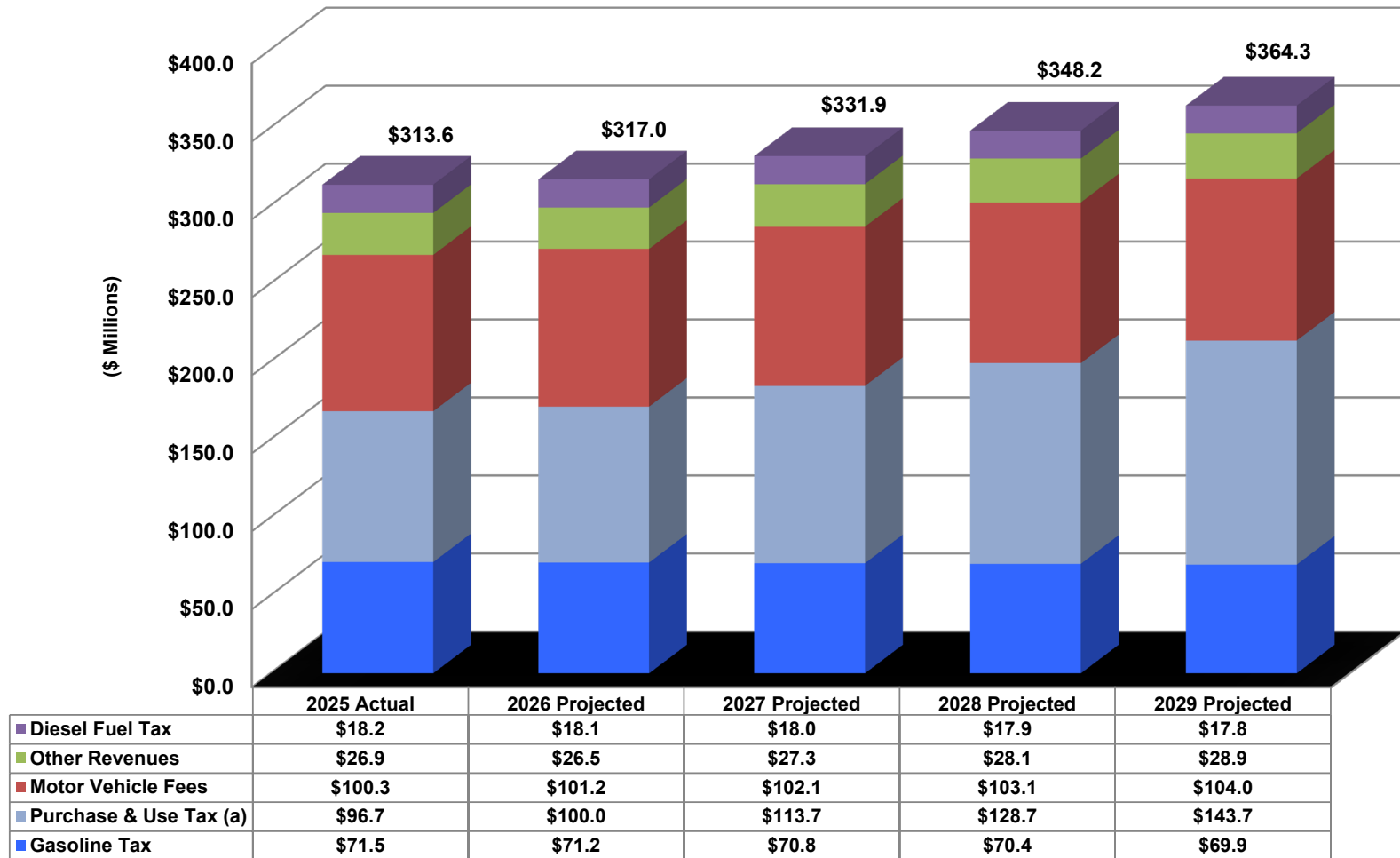
## General Fund Revenue by Component FY 2025 – FY 2029

Emergency Board January 16, 2026



## Transportation Fund Revenue by Component FY 2025 – FY 2029

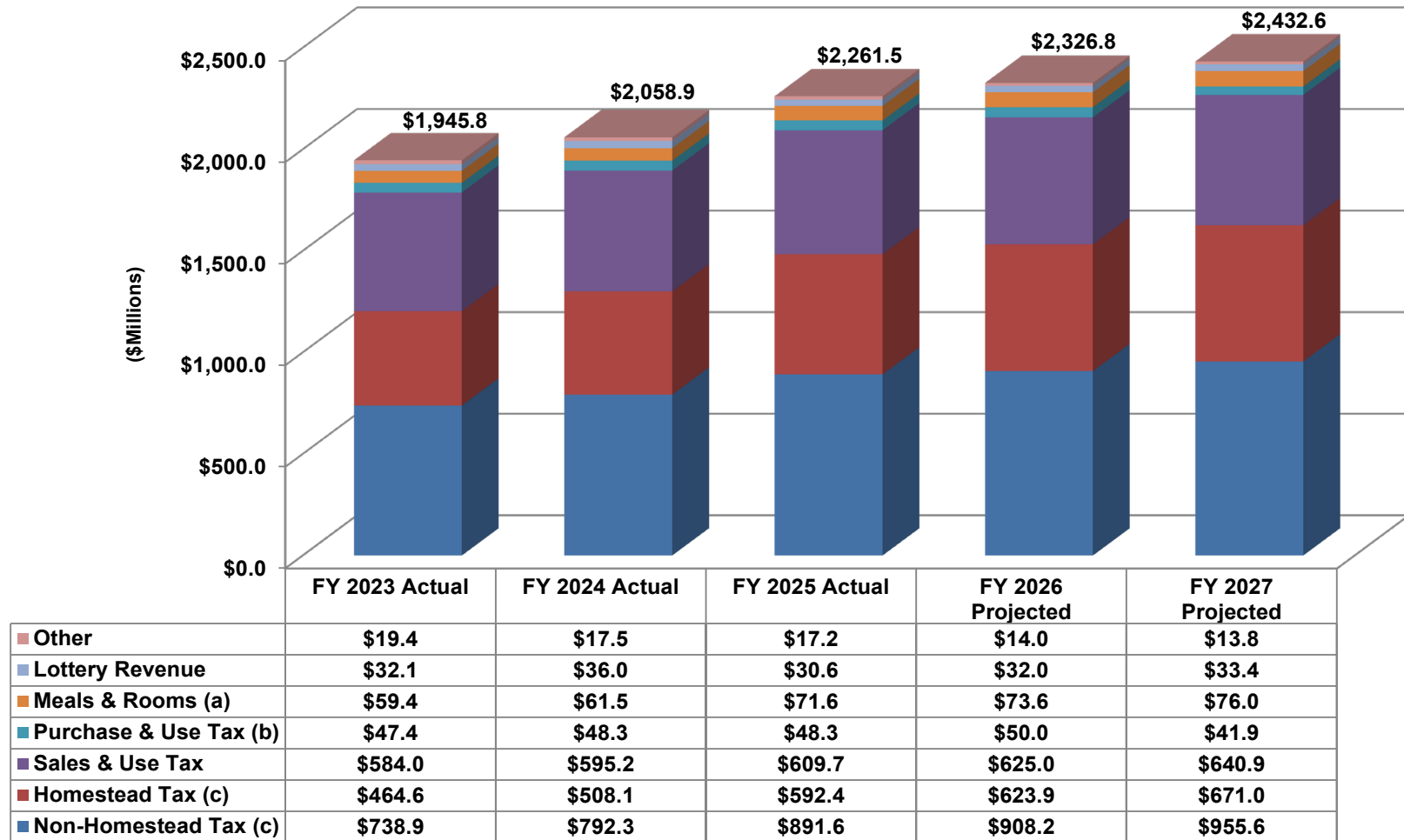
Emergency Board January 16, 2026



(a) One-third of motor vehicles purchase and use revenue is dedicated to the Education Fund through FY26, Governor's Recommended values thereafter.

## Education Fund Revenue by Component FY 2023 – FY 2027

Emergency Board January 16, 2026



(a) The Education Fund's Meals & Rooms revenue represents one-fourth of total Meals & Rooms revenue.

(b) The Education Fund's Purchase & Use revenue represents one-third of total Purchase & Use Tax revenue, reduced by \$10M in Fiscal Year 2027.

(c) Homestead and Non-Homestead Tax revenues represent the Governor's recommended budget.



## GOVERNOR SCOTT'S FY 2027 BUDGET HIGHLIGHTS

### Overview

- FY2027 General Fund total uses of \$2.53 billion, Education Fund total uses of \$2.56 billion, and Transportation Fund total uses of \$341.66 million.
- Provides some much-needed relief to property taxpayers while education system transformation moves forward.
- Builds on last year's efforts to reinforce the state's Transportation Fund by reducing the diversion of transportation revenue to other uses.
- Continues the state's investments in housing and community revitalization.
- Increases base funding in substance use and mental health resources.
- Fully funds all state retirement and debt service obligations and maintains statutory reserve requirements.

### Education Transformation

The total cost of our education system – state and federal money combined – is almost \$3 billion. With approximately 80,000 kids in our schools, that equates to over \$36,000 per child. For that amount of money, we should be providing far better outcomes for our children and equitable salaries and support for our teachers. Last year, we laid the groundwork for a total transformation of our delivery and funding system. But we must follow through on that road map, or we will continue to see rising costs, increasing inequity, and declining student outcomes.

- \$105 million General Fund transfer to the Education Fund to provide some property tax relief to homeowners and businesses while we do the difficult work to transform how we deliver and pay for education.
- \$716,000 base General Fund to the Agency of Education to make permanent five positions dedicated to education transformation.
- \$700,000 one-time General Fund in the FY26 BAA to the Agency of Education for Read Vermont, a comprehensive initiative to enhance literacy instruction across the state.

### Housing and Community Revitalization

Our current regulatory system continues to make it harder to build and restore the homes we need and drives up the cost of owning and renting. Along with proposals to transform our regulatory process, the Governor's budget funds proven housing programs.

- \$4 million base General Fund for the Vermont Housing Improvement Program (VHIP), which brings affordable rental units to the market faster and more cost effectively than other programs. With a base appropriation, this makes a one-time program permanent.
- \$800,000 one-time General Fund for the Manufactured Home Improvement and Repair Program (MHIR) to help preserve and improve manufactured homes for families.

### **Assisting Vulnerable Populations and Public Safety Efforts**

The post pandemic approach to homelessness – putting people in temporary motel rooms – doesn't work. It's isolating, unstable and lacks needed services to get people back on their feet. We must continue our earlier work to build the infrastructure and develop the necessary support to transition people into stable and permanent living environments. And we must address the primary causes of homelessness to reduce the risk to those most susceptible.

- \$21.2 million one-time General Fund for the hotel/motel program in FY27 and funds for developing new shelters while we work to transition to a permanent sheltering model.
- \$10.2 million additional base General Fund for medically vulnerable shelters, substance use recovery shelters, enhanced case management, rapid rehousing and family reunification and other support services.
- \$875,000 base General Fund for Hireability Vermont (an employment and career development resource for Vermonters) for an opioid recovery employment program.
- \$200,000 additional General Fund to bring pre-trial supervision services statewide and build on the Newport pilot.
- \$500,000 one-time General Fund to expand on the success of the Community Accountability Court piloted in Burlington by introducing it in willing counties across the state.

### **Good Government**

Federal stimulus programs are winding down, support for long-established federal programs is uncertain, and state revenue growth is slowing. We must ensure our financial house is in order and invest in programs and initiatives that solidify our economic foundation.

- \$10 million reduction in the annual redirection of a portion of the Motor Vehicle Purchase & Use tax from the Transportation Fund to the Education Fund. Last year we eliminated \$20 million of transportation funds being used for non-transportation purposes, and this year's budget begins to wind down a \$50 million redirection of Transportation Fund revenue to the Education Fund. These fund flows were established decades ago when our transportation program was flush with cash. With fuel taxes flat or declining and our transportation infrastructure needs growing, we must end the drain on this Fund, use the revenue as it was originally intended, and restructure our education system so it is not reliant on transportation revenue.
- \$231,500 base General Fund to the Agency of Agriculture, Food and Markets to replace fees paid by farms to cover the costs of water quality staff and programming. This investment will eliminate a hardship these fees have placed on farmers.
- \$500,000 one-time General Fund for the Vermont Outdoor Recreation Economic Collaborative (VOREC) program for grants that strengthen communities, grow local economies and inspire stewardship of Vermont's natural resources.
- \$110,000 one-time General Fund to the Office of Racial Equity to continue IDEAL Vermont, a coalition of Vermont municipalities dedicated to advancing racial and other forms of equity across the state through shared learning and tangible action. This program was created to bridge the efforts of individual towns and counties across the state to build cohesion, motivation, and success.

## FY 2027 GENERAL FUND BUDGET OVERVIEW

Sources:	General Fund Impact
<b><u>Base revenue:</u></b>	
<b>Official E-Board forecast January 2026</b>	<b>2,533,500,000</b>
Additional Property Transfer Tax	3,084,363
<b>Direct applications, reversions, and other transfers:</b>	
AHS Certified matching funds for Medicaid	4,641,960
Department of Financial Regulation	66,456,648
Attorney General settlements	2,000,000
Liquor Control	20,871,297
Unclaimed Property	7,500,000
Sports Wagering	6,700,000
Secretary of State	-
<b>Subtotal - Direct Applications, Reversions, and Transfers</b>	<b>108,169,905</b>
 <b>Total Base General Fund Sources</b>	 <b>2,644,754,268</b>
 <b><u>One-time revenue:</u></b>	
Reversions from prior year one-time appropriations	9,502,459
Unreserved for property tax relief (\$30M from 2025 Act 27 Sec. B.1101(b)(4); \$74.9M from Governor's BAA)	104,908,098
<b><u>Total One-Time General Fund Sources:</u></b>	<b>114,410,557</b>
 <b>Total General Fund Sources:</b>	 <b>2,759,164,825</b>

Uses:		General Fund Impact
FY 2026 As Passed base appropriations - 2025 Act 27 Secs. B.100 through B.1000		2,319,834,761
FY 2026 As Passed Pay Act - 2024 Act 113 Sec. G. 109		27,791,838
Cannabis Control Board - General Fund support in FY2026 by reducing FYE2025 transfer from CRF to GF		4,035,000
Reduce Legislature base appropriations starting point per 2025 Act 27 Sec. E.126(a)		(1,500,000)
Increase Education base appropriations starting point - 2025 Act 73, Sec. 31(b)		150,000
<b>FY 2026 base appropriations starting point</b>		<b>2,350,311,599</b>
<b>Current services appropriation changes:</b>		
Increase in salaries and wages		28,432,250
Increase in health benefits employer contribution		14,955,859
Increase in retirement plans employer contribution		10,696,686
Increase in ADS Allocation charges		10,834,253
Increase in all other Internal Service Fund allocations		3,098,077
Increase in GF appropriation to ADS		9,084,685
Decrease in ADS Service Level Agreement charges		(5,833,670)
Increase in property tax assistance		800,000
Increase in VSTRS pension contribution B.514		10,183,497
Increase in VSTRS OPEB contribution B.515		13,549,814
New GF appropriation to Cannabis Control Board to cover gap between fees and operating expenses		4,576,032
Increase in Global Commitment GF match for Federal Funds		26,003,601
Increases in Higher Education (UVM, VSC, VSAC) B.600-B.607		4,116,864
Increase in Pay Act GF appropriations		1,122,790
Net impact of all other upward and downward current services changes		7,390,888
<b>Total current services appropriation changes:</b>		<b>139,011,626</b>
	<i>Variance to base starting point</i>	<b>5.9%</b>
<b>Governor's Initiatives</b>		
<b>Base Uses - Policy Changes</b>		
Fund Reappraisal & Listing Payments from PILOT special fund (B.139)		(3,410,000)
Military: 6 maintenance positions @ 25% GF; Vets Cemetery backfill capped special fund; \$10k USS Vermont		324,642
AAFM: New audit & procurement position; eliminate farm operation fees and backfill revenue with GF		343,411
DCF Housing Plan: staffing; family and medically vulnerable hotels; recovery shelters; case management		10,167,831
DAIL opioid recovery employment program		875,000
DOC statewide pretrial supervision		200,000
GMCB funding for positions established in 2025 Act 68 (GF portion)		217,442
AOE: base funding for Ed Transformation limited service positions		716,852
ACCD-HCD: Vermont Housing Improvement Program base funding		4,000,000
<b>Subtotal Base Uses</b>		<b>13,435,178</b>
	<i>Variance to base starting point</i>	<b>6.5%</b>
<b>One-time Uses - Policy Changes</b>		
DCF - Emergency Housing		21,183,809
DCF - Temporary secure youth treatment facility operating expense		4,000,000
Other one-time General Fund Appropriations - Sec. B.1100		4,760,000
Transfer to Police Mobile Radio Replacement Fund		500,000
Transfer to Education Fund to backfill Motor Vehicle Purchase & Use Tax phasedown		10,000,000
Transfer to Education Fund for property tax relief		104,908,098
<b>Subtotal One-Time Uses</b>		<b>145,351,907</b>
<b>Total Policy Initiatives - Base and One-Time</b>		<b>158,787,085</b>
<b>Transfers and Reserves</b>		
To General Obligation Bonds Debt Service Fund		73,797,962
To Capital Infrastructure Fund (based on 4% prior year appropriations less debt service)		17,016,160
To Tax Computer System Modernization Fund		4,650,000
Reserved in Budget Stabilization Reserve		9,040,393
Reserved in 27/53 Reserve		6,550,000
<b>Subtotal</b>		<b>111,054,515</b>
<b>Total One-Time Appropriations, Transfers, and Reserves:</b>		<b>256,406,422</b>
<b>Total General Fund Uses</b>		<b>2,759,164,825</b>

## One-time General Fund Appropriations for Policy Initiatives – Section B.1100

### One-Time General Fund Appropriations for Policy Initiatives - Sec. B.1100

Sec. #	Recipient - Purpose	Amount
B.1100(a)(1)	AOA-ORE Continue IDEAL Vermont	\$ 110,000
B.1100(a)(2)	AOA-Truth and Reconciliation Commission	\$ 900,000
B.1100(b)(1)	DVHA-Cost Above Other HR1 Federal Grants	\$ 300,000
B.1100(b)(2)	DVHA-Provider Stabilization Grants	\$ 2,000,000
B.1100(c)(1)	DCF-Housing Proposal - Temporary Emergency Housing	\$ 15,183,809
B.1100(c)(2)	DCF-Temporary Secure Treatment Facility for Youth	\$ 4,000,000
B.1100(c)(3)	DCF-Housing Proposal - Planning and Start-up Costs for New Shelters	\$ 6,000,000
B.1100(e)(1)	FPR-VOREC Grants	\$ 500,000
B.1100(f)(1)	HCD-Manufactured Home Improvement and Repair Program	\$ 800,000
B.1100(g)(1)	DED-Canadian International Economic Development Partnership	\$ 150,000
	<b>Total</b>	<b>\$ 29,943,809</b>

## Total Appropriations History FY 2023 – FY 2027 (All Funds)

Funding Sources	2023 Final Appropriations	2024 Final Appropriations	2025 Final Appropriations	2026 Gov's Rec Budget Adjustment (a)	FY 2027 Governor's Recommended Budget (b)
General Fund	2,092,040,666	2,400,913,883	2,367,174,155	2,547,832,018	2,532,702,212
Transportation Fund	318,673,640	331,738,705	358,259,921	340,148,358	341,663,012
Education Fund	1,961,209,411	2,139,517,015	2,309,914,964	2,430,062,675	2,563,614,330
Special Funds & Other Funds <sup>(c)</sup>	512,737,364	629,391,612	625,628,337	715,245,771	657,429,409
Sub-Total	4,884,661,081	5,501,561,215	5,660,977,377	6,033,288,822	6,095,408,963
<b>Total State Funds after EF Transfer</b>	<b>4,884,661,081</b>	<b>5,501,561,215</b>	<b>5,660,977,377</b>	<b>6,033,288,822</b>	<b>6,095,408,963</b>
percent of total	56.36%	63.02%	63.79%	65.00%	64.88%
Federal Funds <sup>(d)</sup>	3,189,459,388	3,170,202,380	3,175,563,390	3,201,303,865	3,237,628,681
Federal ARRA Funds	510,535	-	-	6,627	-
COVID Funds	566,696,781	22,280,000	5,000,000	-	-
<b>Total Funds Before Dedicated Dollars</b>	<b>8,641,327,785</b>	<b>8,694,043,595</b>	<b>8,841,540,767</b>	<b>9,234,599,314</b>	<b>9,333,037,644</b>
percent of total	99.70%	99.60%	99.63%	99.48%	99.34%
<b>Dedicated Sources</b>					
Local Match	4,585,799	11,104,867	7,717,496	19,650,159	19,198,626
Enterprise Funds	13,626,186	14,720,611	15,074,405	17,851,996	16,781,292
Debt Service Obligation Funds	-	-	-	-	-
Pension & Private Purpose Trust Funds <sup>(e)</sup>	7,833,395	9,382,370	9,727,290	10,532,684	26,339,925
Sub-Total	26,045,380	35,207,848	32,519,191	48,034,839	62,319,843
<b>Total Funds and Dedicated Sources</b>	<b>8,667,373,165</b>	<b>8,729,251,443</b>	<b>8,874,059,958</b>	<b>9,282,634,153</b>	<b>9,395,357,487</b>
percent of total	100.00%	100.00%	100.00%	100.00%	100.00%
<b>Fund Sources that are duplicated in the above appropriations:</b>					
Internal Service Funds	202,486,578	229,234,960	237,892,038	235,176,276	190,179,785
Interdepartmental Transfer	66,930,449	69,221,761	82,238,212	108,884,270	94,061,691
Global Commitment Fund	1,977,336,518	2,006,691,247	2,123,693,716	2,226,932,801	2,205,387,670
Total	2,246,753,545	2,305,147,968	2,443,823,966	2,570,993,347	2,489,629,146
<b>Total All Appropriations</b>	<b>10,914,126,710</b>	<b>11,034,399,411</b>	<b>11,317,883,924</b>	<b>11,853,627,500</b>	<b>11,884,986,633</b>
<b>NOTES:</b>					
(a) Governor's FY 2026 budget adjustment recommendations presented on December 16, 2025.					
(b) Governor's budget recommendations presented to the General Assembly on January 20, 2026.					
(c) "Special Funds" also include: Fish & Wildlife, Tobacco, State Health Care Resources, Transportation Infrastructure Bond Funds.					
(d) FY27 includes \$338K in ARPA Capital Projects Fund.					
(e) Includes Permanent Trust Funds, Pension Funds, Retired Teachers' Health Fund and Private Purpose Trust Funds.					

## FY 2027 Governor's Recommended Budget – All Funds by Function

Page 1 of 2									
Funding Sources	2026 Gov's Rec Budget Adjustment (a)	FY 2027 Governor's Recommended Budget (b)	% Change from BAA	All General Government			Total Human Services		
				General Government	Property Tax Assistance <sup>(c)</sup>	Protection to Persons & Property	Corrections	Non-GC/Medicaid	GC/Medicaid/ LTC Federal & State Only
General Fund	2,547,832,018	2,532,702,212	-0.59%	97,593,175	50,650,000	300,938,334	230,843,846	419,783,124	865,140,585
Transportation Fund	340,148,358	341,663,012	0.45%	4,710,621	-	-	-	-	-
Education Fund	2,430,062,675	2,563,614,330	5.50%	-	-	-	-	-	-
Special Funds <sup>(d)</sup>	715,245,771	657,429,409	-8.08%	21,616,033	15,650,000	123,845,511	2,087,653	194,804,994	107,385,397
<b>Total Funds Before Federal Dollars</b>	<b>6,033,288,822</b>	<b>6,095,408,963</b>	<b>1.03%</b>	<b>123,919,829</b>	<b>66,300,000</b>	<b>424,783,845</b>	<b>232,931,499</b>	<b>614,588,118</b>	<b>972,525,982</b>
percent of total	65.00%	64.88%		2.03%	1.09%	6.97%	3.82%	10.08%	15.96%
Federal Funds	3,201,303,865	3,237,628,681	1.13%	1,241,835	-	252,448,869	581,790	394,046,675	1,611,476,853
ARRA Funds	6,627	-		-	-	-	-	-	-
COVID Funds	-	-		-	-	-	-	-	-
<b>Total Funds Before Dedicated Dollars</b>	<b>9,234,599,314</b>	<b>9,333,037,644</b>	<b>1.07%</b>	<b>125,161,664</b>	<b>66,300,000</b>	<b>677,232,714</b>	<b>233,513,289</b>	<b>1,008,634,793</b>	<b>2,584,002,835</b>
percent of total	99.48%	99.34%		1.34%	0.71%	7.26%	2.50%	10.81%	27.69%
<b>Dedicated Sources</b>									
Local Match	19,650,159	19,198,626	-2.30%	-	-	-	-	-	-
Enterprise Funds	17,851,996	16,781,292	-6.00%	4,427	-	16,776,865	-	-	-
Debt Service Obligation Funds	-	-	0.00%	-	-	-	-	-	-
Pension Trust & Private Purpose Trust Funds	10,532,684	26,339,925	150.08%	7,300,333	-	-	-	25,000	-
Sub-Total	48,034,839	62,319,843	29.74%	7,304,760	-	16,776,865	-	25,000	-
<b>Total Funds and Dedicated Sources</b>	<b>9,282,634,153</b>	<b>9,395,357,487</b>	<b>1.21%</b>	<b>132,466,424</b>	<b>66,300,000</b>	<b>694,009,579</b>	<b>233,513,289</b>	<b>1,008,659,793</b>	<b>2,584,002,835</b>
	100.00%	100.00%		1.41%	0.71%	7.39%	2.49%	10.74%	27.50%
<b>Fund Sources that are duplicated in the above appropriations:</b>									
Internal Service Funds	235,176,276	190,179,785	-19.13%	163,432,820	-	-	676,463	-	-
Interdepartmental Transfer	108,884,270	94,061,691	-13.61%	7,979,570	-	18,844,569	545,099	20,544,074	8,008,479
Global Commitment Fund	2,226,932,801	2,205,387,670	-0.97%	-	-	-	9,414,442	808,652,263	1,385,560,965
Total	2,570,993,347	2,489,629,146	-3.16%	171,412,390	-	18,844,569	10,636,004	829,196,337	1,393,569,444
<b>Total All Appropriations</b>	<b>11,853,627,500</b>	<b>11,884,986,633</b>	<b>0.26%</b>	<b>303,878,814</b>	<b>66,300,000</b>	<b>712,854,148</b>	<b>244,149,293</b>	<b>1,837,856,130</b>	<b>3,977,572,279</b>

**NOTES** (both pages):  
(a) Governor's FY 2026 budget adjustment recommendations presented on December 16, 2025.  
(b) Governor's budget recommendations presented to the General Assembly on January 20, 2026.  
(c) Includes Homeowner Rebate; Renter Rebate; reappraisal and listing payments; and municipal current use.  
(d) "Special Funds" also include: Fish & Wildlife, Tobacco, State Health Care Resources, Transportation Infrastructure Bond Funds.

## FY 2027 Governor's Recommended Budget

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Funding Sources		Labor	General Education	Higher Education & Other	Natural Resources	Commerce & Community Development	Transportation	Debt Service	One-Time and Other
General Fund		11,854,490	270,217,370	141,473,439	53,065,520	31,608,892	-	675,000	58,858,437
Transportation Fund		-	-	-	-	1,000,000	331,592,355	-	4,360,036
Education Fund		-	2,563,573,105	41,225	-	-	-	-	-
Special Funds <sup>(d)</sup>		10,685,153	16,670,995	-	90,467,606	53,336,067	20,880,000	-	-
<b>Total State Funds after EF Transfer</b>		<b>22,539,643</b>	<b>2,850,461,470</b>	<b>141,514,664</b>	<b>143,533,126</b>	<b>85,944,959</b>	<b>352,472,355</b>	<b>675,000</b>	<b>63,218,473</b>
0.00%		0.37%	46.76%	2.32%	2.35%	1.41%	5.78%	0.01%	1.04%
Federal Funds		22,188,227	201,606,051	-	144,574,700	91,393,990	515,369,691	-	2,700,000
<b>Total Funds Before Dedicated Dollars</b>		<b>44,727,870</b>	<b>3,052,067,521</b>	<b>141,514,664</b>	<b>288,107,826</b>	<b>177,338,949</b>	<b>867,842,046</b>	<b>675,000</b>	<b>65,918,473</b>
percent of total		0.48%	32.70%	1.52%	3.09%	1.90%	9.30%	0.01%	0.71%
<b>Dedicated Sources</b>									
Local Match		-	-	-	-	-	19,198,626	-	-
Enterprise Funds		-	-	-	-	-	-	-	-
Debt Service Obligation Funds		-	-	-	-	-	-	-	-
Pension Trust & Private Purpose Trust		-	4,014,592	-	-	-	-	-	15,000,000
Sub-Total		-	4,014,592	-	-	-	19,198,626	-	15,000,000
<b>Total Funds and Dedicated Sources</b>		<b>44,727,870</b>	<b>3,056,082,113</b>	<b>141,514,664</b>	<b>288,107,826</b>	<b>177,338,949</b>	<b>887,040,672</b>	<b>675,000</b>	<b>80,918,473</b>
		0.48%	32.53%	1.51%	3.07%	1.89%	9.44%	0.01%	0.86%
<b>Fund Sources that are duplicated in the above appropriations:</b>									
Internal Service Funds		-	-	-	-	-	26,070,502	-	-
Interdepartmental Transfer		94,863	1,313,766	-	15,139,472	-	21,591,799	-	-
Global Commitment Fund		-	260,000	1,500,000	-	-	-	-	-
Total		94,863	1,573,766	1,500,000	15,139,472	-	47,662,301	-	-
<b>Total All Appropriations</b>		<b>44,822,733</b>	<b>3,057,655,879</b>	<b>143,014,664</b>	<b>303,247,298</b>	<b>177,338,949</b>	<b>934,702,973</b>	<b>675,000</b>	<b>80,918,473</b>



## FY 2027 Governor's Recommended Appropriations by Function

### Appropriations by Function (FY27 Governor's Budget)

**OTHER:**

Property Tax Assistance \$66.3M

Protection \$694.0M

Corrections \$233.5M

Higher Education \$141.5M

General Government \$132.5M

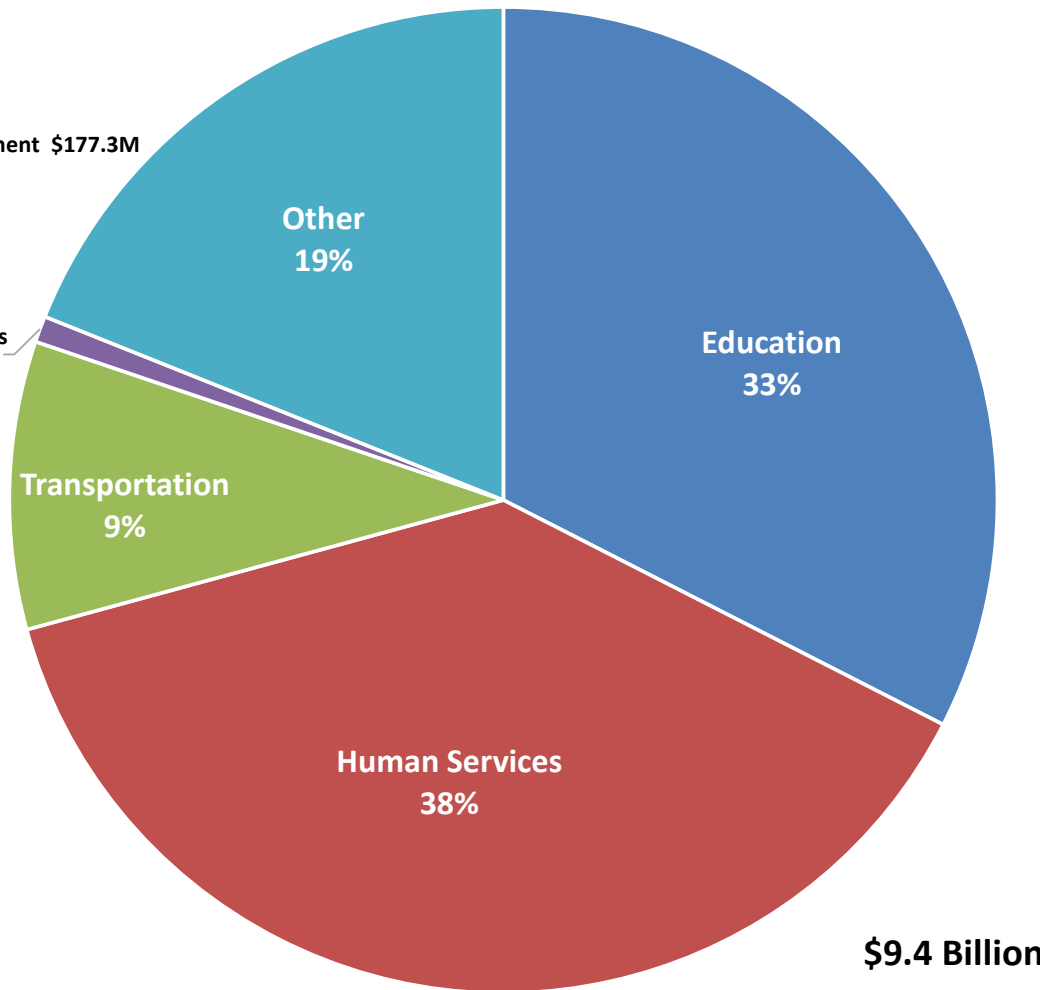
Natural Resources \$288.1M

Commerce & Community Development \$177.3M

Bond Issuance Costs \$0.7M

Labor \$44.7M

One-Time Appropriations  
1%



## FY 2027 Governor's Recommended Appropriations by Fund

### Appropriations by Fund (FY27 Governor's Budget)

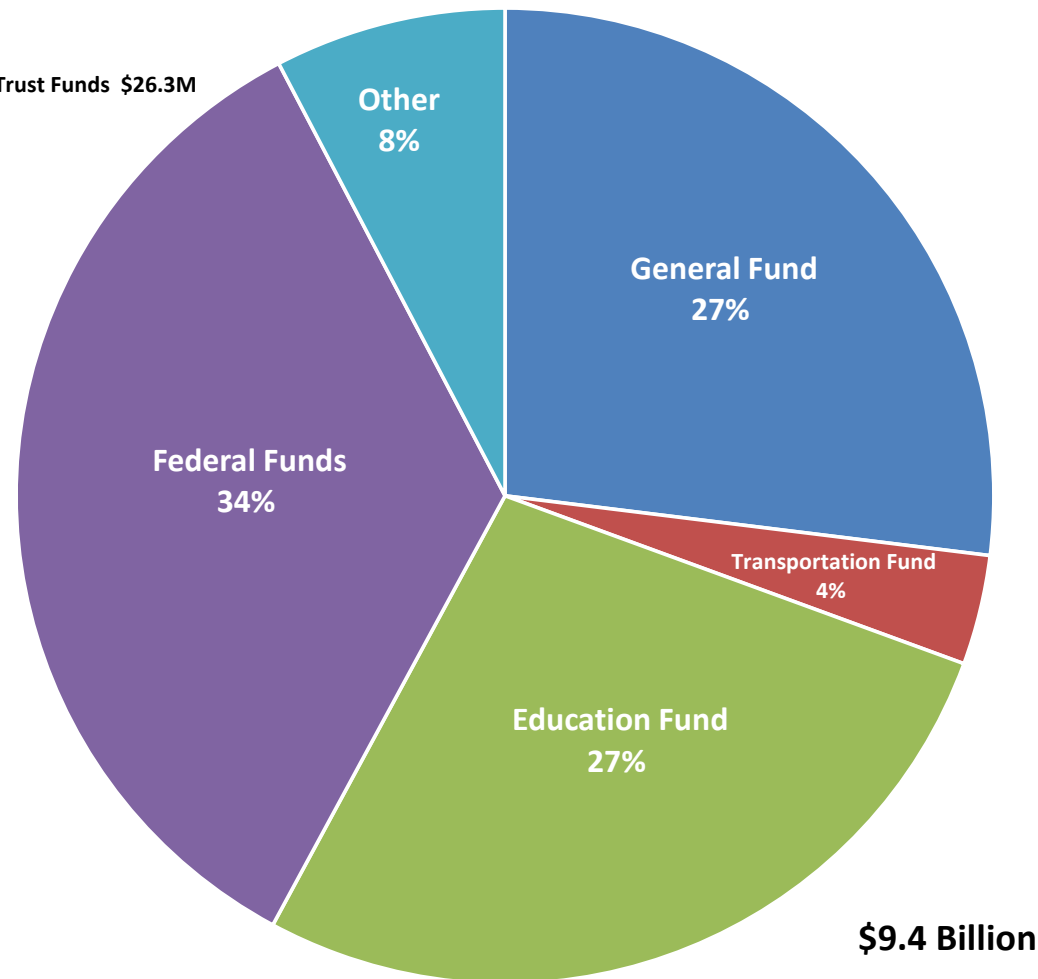
**OTHER:**

Local Match \$19.2M

Enterprise Funds \$16.8M

Pension & Private Purpose Trust Funds \$26.3M

Special Funds \$657.4M



# FY 2027 Governor's Recommended Budget by Department and Funding Source

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										Duplicate Appropriations (c)		FY 2027 Governor's Recommended Total Appropriations
Agency/Department/Program	General Fund	Transportation Fund	Special Funds (a)	Education Fund	Subtotal State Funds, Net	Federal Funds	Subtotal Before Dedicated Sources	Dedicated Sources (b)	Total Funds and Dedicated Sources	Global Commitment	ISF, IDT, and ARRA IDT	
GENERAL GOVERNMENT												
Agency of Administration:												
Secretary of Administration	1,861,224	-	125,000	-	1,986,224	-	1,986,224	-	1,986,224	-	2,653,786	4,640,010
Secretary of Administration - Office of Racial Equity	1,113,347				1,113,347		1,113,347		1,113,347		550,496.0	1,663,843
Secretary of Administration - Insurance	-	-	-	-	-	-	-	-	-	-	1,845,392	1,845,392
Finance & Management	1,320,303	-		-	1,320,303	-	1,320,303	-	1,320,303	-	4,882,590	6,202,893
Human Resources	2,009,464		180,668	-	2,190,132		2,190,132		2,190,132		17,832,981	20,023,113
Libraries	2,470,909	-	87,178	-	2,558,087	1,241,835	3,799,922	-	3,799,922	-	129,815	3,929,737
Tax	25,683,400		12,332,784	-	38,016,184	-	38,016,184		38,016,184		50,000	38,066,184
Buildings and General Services	7,115,472	4,710,621	479,721	-	12,305,814	-	12,305,814	4,427	12,310,241	-	51,277,599	63,587,840
Total Agency of Administration	41,574,119	4,710,621	13,205,351	-	59,490,091	1,241,835	60,731,926	4,427	60,736,353	-	79,222,659	139,959,012
Executive Office	2,086,338	-	-	-	2,086,338	-	2,086,338	-	2,086,338	-	572,967	2,659,305
Legislative Counsel	5,867,630		-	-	5,867,630	-	5,867,630		5,867,630		-	5,867,630
Legislature	11,973,355	-	-	-	11,973,355	-	11,973,355		11,973,355		-	11,973,355
Legislative Information Technology	2,529,868		-	-	2,529,868		2,529,868		2,529,868		-	2,529,868
Joint Fiscal Office	3,421,642	-	-	-	3,421,642	-	3,421,642		3,421,642	-	-	3,421,642
Sergeant at Arms	1,893,299	-	-	-	1,893,299	-	1,893,299		1,893,299		-	1,893,299
Lieutenant Governor	321,911		-	-	321,911	-	321,911		321,911		-	321,911
Auditor of Accounts	289,054	-	53,145	-	342,199	-	342,199		342,199	-	4,731,085	5,073,284
Treasurer	2,849,590		4,571,506	-	7,421,096		7,421,096	1,542,065	8,963,161	-	380,663	9,343,824
State Employees/Municipal Retirement Systems	15,000,000	-	2,742,995	-	17,742,995	-	17,742,995	5,758,268	23,501,263	-	-	23,501,263
Agency of Digital Services	9,317,892	-	1,031,998	-	10,349,890	-	10,349,890		10,349,890		86,200,684	96,550,574
Labor Relations Board	377,202		11,038	-	388,240	-	388,240		388,240	-	2,788	391,028
VOSHA Review Board	91,275		-	-	91,275	-	91,275		91,275		51,004	142,279
Homeowner Rebate	17,500,000	-	-	-	17,500,000	-	17,500,000		17,500,000	-	-	17,500,000
Renter rebate	11,500,000	-	-	-	11,500,000	-	11,500,000		11,500,000	-	-	11,500,000
Reappraisal and Listing Payments	-		3,410,000	-	3,410,000	-	3,410,000		3,410,000	-	-	3,410,000
Use Tax Reimbursement - Municipal Current Use	21,650,000	-	-	-	21,650,000	-	21,650,000		21,650,000	-	-	21,650,000
Ethics Commission	-	-	-	-	-	-	-		-	-	250,540	250,540
PILOT	-	-	12,200,000	-	12,200,000	-	12,200,000		12,200,000	-	-	12,200,000
PILOT - Montpelier	-	-	-	-	-	-	-		-	-	-	-
PILOT - Corrections	-	-	40,000	-	40,000	-	40,000		40,000	-	-	40,000
TOTAL GENERAL GOVERNMENT	148,243,175	4,710,621	37,266,033	-	190,219,829	1,241,835	191,461,664	7,304,760	198,766,424	-	171,412,390	370,178,814
percent of total	5.85%	1.38%	5.67%	0.00%	3.12%	0.04%	2.05%	11.72%	2.12%	0.00%	60.31%	3.11%
PROTECTION TO PERSONS AND PROPERTY												
Attorney General	8,862,036	-	3,410,704	-	12,272,740	1,956,258	14,228,998	-	14,228,998	-	4,869,304	19,098,302
Court Diversion	4,756,124		257,997	-	5,014,121		5,014,121		5,014,121	-	-	5,014,121
Defender General	29,698,254	-	589,653	-	30,287,907		30,287,907		30,287,907	-	-	30,287,907
Judiciary	76,041,361	-	1,970,905	-	78,012,266	1,580,000	79,592,266		79,592,266	-	2,248,000	81,840,266
State's Attorneys and SIUs	27,836,410	-	-	-	27,836,410	31,000	27,867,410		27,867,410	-	597,601	28,465,011
Sheriffs	7,144,315		-	-	7,144,315		7,144,315		7,144,315		-	7,144,315
Public Safety	111,946,069		18,976,131	-	130,922,200	87,618,772	218,540,972		218,540,972	-	6,081,644	224,622,616
Military	7,599,762		114,649	-	7,714,411	66,836,532	74,550,943		74,550,943	-	-	74,550,943
Center for Crime Victims Services	1,699,898		3,765,489	-	5,465,387	5,763,542	11,228,929		11,228,929	-	-	11,228,929
Criminal Justice Council	4,331,708	-	-	-	4,331,708		4,331,708		4,331,708	-	347,325	4,679,033
Agriculture, Food & Markets	13,737,790	-	24,354,834	-	38,092,624	20,036,449	58,129,073		58,129,073	-	3,062,124	61,191,197
Financial Regulation	-		21,394,308	-	21,394,308		21,394,308		21,394,308	-	-	21,394,308
Secretary of State	1,350,000	-	21,682,168	-	23,032,168	4,643,322	27,675,490		27,675,490	-	-	27,675,490
Public Service Department	-	-	13,537,057	-	13,537,057	63,982,994	77,520,051	14,686	77,534,737	-	1,568,571	79,103,308
Public Service Board	-	-	5,289,342	-	5,289,342	-	5,289,342		5,289,342	-	-	5,289,342
E-911 Board	-	-	5,559,317	-	5,559,317	-	5,559,317		5,559,317	-	-	5,559,317
Human Rights Commission	1,358,575	-	-	-	1,358,575	-	1,358,575		1,358,575	-	-	1,358,575
Liquor and Lottery	-	-	377,863	-	377,863	-	377,863	16,762,179	17,140,042	-	70,000	17,210,042
Cannabis Control Board	4,576,032	-	2,565,094	-	7,141,126	-	7,141,126		7,141,126	-	-	7,141,126
TOTAL PROTECTION	300,938,334	-	123,845,511	-	424,783,845	252,448,869	677,232,714	16,776,865	694,009,579	-	18,844,569	712,854,148
percent of total	11.88%	0.00%	18.84%	0.00%	6.97%	7.80%	7.26%	26.92%	7.39%	0.00%	6.63%	6.00%

# FY 2027 Governor's Recommended Budget by Department and Funding Source

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										Duplicate Appropriations (c)		FY 2027 Governor's Recommended Total Appropriations
Agency/Department/Program	General Fund	Transportation Fund	Special Funds (a)	Education Fund	Subtotal State Funds, Net	Federal Funds	Subtotal Before Dedicated Sources	Dedicated Sources (b)	Total Funds and Dedicated Sources	Global Commitment	ISF, IDT, and ARRA IDT	
HUMAN SERVICES												
Human Services Agency:												
AHS - Secretary's Office	12,150,921	-	135,517	-	12,286,438	15,871,718	28,158,156	-	28,158,156	2,425,929	13,838,822	44,422,907
AHS - Secretary's Office - Global Commitment	739,488,475	-	83,998,649	-	823,487,124	1,433,816,697	2,257,303,821	-	2,257,303,821	-	4,997,210	2,262,301,031
Human Services Board	24,178,367	-	1,711,833	-	25,890,200	390,030	26,280,230	-	26,280,230	20,759,219	-	47,039,449
Department of Vermont Health Access	125,153,531	-	23,386,748	-	148,540,279	175,210,156	323,750,435	-	323,750,435	1,027,545,827	3,011,269	1,354,307,531
Health	24,671,312	-	44,149,509	-	68,820,821	90,101,729	158,922,550	25,000	158,947,550	60,140,461	2,678,959	221,766,970
Mental Health	16,127,495	-	1,006,836	-	17,134,331	13,679,245	30,813,576	-	30,813,576	269,179,765	1,264,904	301,258,245
Children and Families	288,045,976	-	125,960,316	-	414,006,292	213,165,023	627,171,315	-	627,171,315	82,432,557	1,029,603	710,633,475
Disabilities, Aging and Independent Living	39,193,953	-	2,839,969	-	42,033,922	54,251,927	96,285,849	-	96,285,849	731,729,470	1,731,786	829,747,105
Corrections	230,843,846	-	2,087,653	-	232,931,499	581,790	233,513,289	-	233,513,289	9,414,442	1,221,562	244,149,293
TOTAL HUMAN SERVICES AGENCY	1,499,853,876	-	285,277,030	-	1,785,130,906	1,997,068,315	3,782,199,221	25,000	3,782,224,221	2,203,627,670	29,774,115	6,015,626,006
Veterans' Home	10,370,653	-	12,153,730	-	22,524,383	9,037,003	31,561,386	-	31,561,386	-	-	31,561,386
Commission on Women	536,228	-	4,060	-	540,288	-	540,288	-	540,288	-	-	540,288
Retired Senior Volunteer Program	169,909	-	-	-	169,909	-	169,909	-	169,909	-	-	169,909
Green Mountain Care Board	4,344,723	-	6,843,224	-	11,187,947	-	11,187,947	-	11,187,947	-	-	11,187,947
Office of the Child, Youth, and Family Advocate	492,166	-	-	-	492,166	-	492,166	-	492,166	-	-	492,166
TOTAL HUMAN SERVICES	1,515,767,555	-	304,278,044	-	1,820,045,599	2,006,105,318	3,826,150,917	25,000	3,826,175,917	2,203,627,670	29,774,115	6,059,577,702
percent of total	59.85%	0.00%	46.28%	0.00%	29.86%	61.96%	41.00%	0.04%	40.72%	99.92%	10.47%	50.99%
Labor	11,854,490	-	10,685,153	-	22,539,643	22,188,227	44,727,870	-	44,727,870	-	94,863	44,822,733
TOTAL LABOR	11,854,490	-	10,685,153	-	22,539,643	22,188,227	44,727,870	-	44,727,870	-	94,863	44,822,733
percent of total	0.47%	0.00%	1.63%	0.00%	0.37%	0.69%	0.48%	0.00%	0.48%	0.00%	0.03%	0.38%
GENERAL EDUCATION												
Agency of Education	21,826,400	-	16,670,995	2,493,224,396	2,531,721,791	201,606,051	2,733,327,842	-	2,733,327,842	260,000	1,313,766	2,734,901,608
Teachers' Retirement	248,390,970	-	-	70,348,709	318,739,679	-	318,739,679	4,014,592	322,754,271	-	-	322,754,271
TOTAL GENERAL EDUCATION	270,217,370	-	16,670,995	2,563,573,105	2,850,461,470	201,606,051	3,052,067,521	4,014,592	3,056,082,113	260,000	1,313,766	3,057,655,879
percent of total	10.67%	0.00%	2.54%	100.00%	46.76%	6.23%	32.70%	6.44%	32.53%	0.01%	0.46%	25.73%
HIGHER EDUCATION AND OTHER												
University of Vermont	59,099,447	-	-	-	59,099,447	-	59,099,447	-	59,099,447	-	-	59,099,447
Vermont State Colleges	54,348,753	-	-	-	54,348,753	-	54,348,753	-	54,348,753	1,500,000	-	55,848,753
Vermont Student Assistance Corp.	27,938,719	-	-	41,225	27,979,944	-	27,979,944	-	27,979,944	-	-	27,979,944
N.E. Higher Education Compact	86,520	-	-	-	86,520	-	86,520	-	86,520	-	-	86,520
TOTAL HIGHER EDUCATION AND OTHER	141,473,439	-	-	41,225	141,514,664	-	141,514,664	-	141,514,664	1,500,000	-	143,014,664
percent of total	5.59%	0.00%	0.00%	0.00%	2.32%	0.00%	1.52%	0.00%	1.51%	0.07%	0.00%	1.20%
NATURAL RESOURCES												
Agency of Natural Resources:												
ANR - Central Office	7,918,900	-	687,843	-	8,606,743	-	8,606,743	-	8,606,743	-	2,282,727	10,889,470
Fish & Wildlife	10,263,811	-	11,243,452	-	21,507,263	10,067,970	31,575,233	-	31,575,233	-	1,545,900	33,121,133
Forests, Parks & Recreation	13,812,215	-	22,170,061	-	35,982,276	16,943,659	52,925,935	-	52,925,935	-	719,266	53,645,201
Environmental Conservation	16,706,251	-	54,833,578	-	71,539,829	117,563,071	189,102,900	-	189,102,900	-	10,591,579	199,694,479
Total Agency of Natural Resources	48,701,177	-	88,934,934	-	137,636,111	144,574,700	282,210,811	-	282,210,811	-	15,139,472	297,350,283
Natural Resources Board	4,364,343	-	1,532,672	-	5,897,015	-	5,897,015	-	5,897,015	-	-	5,897,015
TOTAL NATURAL RESOURCES	53,065,520	-	90,467,606	-	143,533,126	144,574,700	288,107,826	-	288,107,826	-	15,139,472	303,247,298
percent of total	2.10%	0.00%	13.76%	0.00%	2.35%	4.47%	3.09%	0.00%	3.07%	0.00%	5.33%	2.55%

# FY 2027 Governor's Recommended Budget by Department and Funding Source

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												Duplicate Appropriations (c)	FY 2027 Governor's Recommended Total Appropriations
Agency/Department/Program	General Fund	Transportation Fund	Special Funds (a)	Education Fund	Subtotal State Funds, Net	Federal Funds	Subtotal Before Dedicated Sources	Dedicated Sources (b)	Total Funds and Dedicated Sources	Global Commitment	ISF, IDT, and ARRA IDT		
<b>COMMERCE &amp; COMMUNITY DEVELOPMENT</b>													
Agency of Commerce & Comm Development													
ACCD - Administration	3,964,020	-	-	-	3,964,020	-	3,964,020	-	3,964,020	-	-	-	3,964,020
Economic Development	6,105,922	-	3,314,565	-	9,420,487	1,613,438	11,033,925	-	11,033,925	-	-	-	11,033,925
Housing & Community Development	12,002,421	1,000,000	10,679,645	-	23,682,066	30,444,096	54,126,162	-	54,126,162	-	-	-	54,126,162
Tourism & Marketing	5,090,649	-	-	-	5,090,649	-	5,090,649	-	5,090,649	-	-	-	5,090,649
<b>Total Agency of Commerce &amp; Comm Development</b>	<b>27,163,012</b>	<b>1,000,000</b>	<b>13,994,210</b>	<b>-</b>	<b>42,157,222</b>	<b>32,057,534</b>	<b>74,214,756</b>	<b>-</b>	<b>74,214,756</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74,214,756</b>
Council on the Arts	1,033,155	-	-	-	1,033,155	-	1,033,155	-	1,033,155	-	-	-	1,033,155
Vermont Symphony Orchestra	158,795	-	-	-	158,795	-	158,795	-	158,795	-	-	-	158,795
Vermont Historical Society	1,245,583	-	-	-	1,245,583	-	1,245,583	-	1,245,583	-	-	-	1,245,583
Housing & Conservation Trust	1,680,529	-	39,341,857	-	41,022,386	59,336,456	100,358,842	-	100,358,842	-	-	-	100,358,842
Vermont Humanities Council	327,818	-	-	-	327,818	-	327,818	-	327,818	-	-	-	327,818
<b>TOTAL COMMERCE &amp; COMMUNITY DEV.</b>	<b>31,608,892</b>	<b>1,000,000</b>	<b>53,336,067</b>	<b>-</b>	<b>85,944,959</b>	<b>91,393,990</b>	<b>177,338,949</b>	<b>-</b>	<b>177,338,949</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>177,338,949</b>
percent of total	1.25%	0.29%	8.11%	0.00%	1.41%	2.82%	1.90%	0.00%	1.89%	0.00%	0.00%	-	1.49%
<b>TRANSPORTATION</b>													
Agency of Transportation													
AOT Division Appropriations and Programs	-	235,269,608	14,105,436	-	249,375,044	478,999,424	728,374,468	17,554,666	745,929,134	-	47,284,933	-	793,214,067
AOT Dept. of Motor Vehicles	-	46,545,599	-	-	46,545,599	4,978,081	51,523,680	-	51,523,680	-	121,696	-	51,645,376
AOT Town Highway, Bridges & Municipal	-	49,581,844	6,774,564	-	56,356,408	31,392,186	87,748,594	1,643,960	89,392,554	-	255,672	-	89,648,226
<b>Total Agency of Transportation</b>	<b>-</b>	<b>331,397,051</b>	<b>20,880,000</b>	<b>-</b>	<b>352,277,051</b>	<b>515,369,691</b>	<b>867,646,742</b>	<b>19,198,626</b>	<b>886,845,368</b>	<b>-</b>	<b>47,662,301</b>	<b>-</b>	<b>934,507,669</b>
Transportation Board	-	195,304	-	-	195,304	-	195,304	-	195,304	-	-	-	195,304
<b>TOTAL TRANSPORTATION</b>	<b>-</b>	<b>331,592,355</b>	<b>20,880,000</b>	<b>-</b>	<b>352,472,355</b>	<b>515,369,691</b>	<b>867,842,046</b>	<b>19,198,626</b>	<b>887,040,672</b>	<b>-</b>	<b>47,662,301</b>	<b>-</b>	<b>934,702,973</b>
percent of total	0.00%	97.05%	3.18%	0.00%	5.78%	15.92%	9.30%	30.81%	9.44%	0.00%	16.77%	-	7.86%
Debt Service	675,000	-	-	-	675,000	-	675,000	-	675,000	-	-	-	675,000
<b>DEBT SERVICE</b>	<b>675,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>675,000</b>	<b>-</b>	<b>675,000</b>	<b>-</b>	<b>675,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>675,000</b>
percent of total	0.03%	0.00%	0.00%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.00%	-	0.01%
One-Time	58,858,437	4,360,036	-	-	63,218,473	2,700,000	65,918,473	15,000,000	80,918,473	-	-	-	80,918,473
<b>ONE TIME APPROPRIATIONS</b>	<b>58,858,437</b>	<b>4,360,036</b>	<b>-</b>	<b>-</b>	<b>63,218,473</b>	<b>2,700,000</b>	<b>65,918,473</b>	<b>15,000,000</b>	<b>80,918,473</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80,918,473</b>
percent of total	2.32%	1.28%	0.00%	0.00%	1.04%	0.08%	0.71%	24.07%	0.86%	0.00%	0.00%	-	0.68%
<b>APPROPRIATION TOTAL</b>	<b>2,532,702,212</b>	<b>341,663,012</b>	<b>657,429,409</b>	<b>2,563,614,330</b>	<b>6,095,408,963</b>	<b>3,237,628,681</b>	<b>9,333,037,644</b>	<b>62,319,843</b>	<b>9,395,357,487</b>	<b>2,205,387,670</b>	<b>284,241,476</b>	<b>-</b>	<b>11,884,986,633</b>
percent of total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	-	100%
(a) Special Funds also includes: Fish & Wildlife, Tobacco, State Health Care Resources, and Transportation Infrastructure Bond Funds.													
(b) Dedicated sources include: Enterprise, General Obligation Debts Service, Local Match, Pension Trust, Private Purpose Trust, and Permanent Trust Funds.													
(c) Global Commitment, Internal Service Funds (ISF), Interdepartmental Transfers (IDT) are duplicate appropriations and do not represent additional funds.													

## General Fund Summary FY 2024 - FY 2027 (\$ millions)

	Actual FY 2024	Actual FY 2025	Governor's Recommended BAA FY 2026*	Governor's Recommended Budget FY 2027*
<b>Sources</b>				
General Revenue	2,270.51	2,565.25	2,472.80	2,533.50
Direct Applications	100.15	95.85	108.01	108.17
Reversions	64.41	262.41	35.92	9.50
Revenue Changes	-			
Additional Property Transfer Tax	11.96	10.26	3.07	3.08
Other Revenue	-			
Carried Forward	337.44	158.34	256.97	0.00
<b>Total Sources</b>	<b>2,784.47</b>	<b>3,092.11</b>	<b>2,876.77</b>	<b>2,654.25</b>
<b>Uses</b>				
Base Appropriations	2,048.02	2,112.26	2,319.98	2,473.84
Budget Adjustment Act	21.54	77.58	46.66	-
<i>Net Base Appropriations</i>	2,069.56	2,189.84	2,366.64	2,473.84
Excess Receipt: ARPA	-	261.34	-	-
One-time Appropriations	231.13	56.95	95.57	29.94
Other Bills	78.62	8.92	7.98	
Pay Act	21.61	30.64	27.79	28.91
Contingent Appropriations	-	80.83	50.00	-
<b>Total Uses</b>	<b>2,400.92</b>	<b>2,628.52</b>	<b>2,547.98</b>	<b>2,532.69</b>
<b>Subtotal operating surplus (deficit)</b>	<b>383.55</b>	<b>463.59</b>	<b>328.79</b>	<b>121.56</b>
<b>Allocation of surplus - transfers (to)/from other funds</b>				
Transfers (to)/from other funds	(52.94)	(92.75)	(28.85)	(0.50)
Transfers (to)/from Education Fund	-	(25.00)	(77.82)	(114.91)
Transfers (to)/from Tax Computer System Modernization Fund	-	(1.80)	(4.30)	(4.65)
Transfers (to)/from Cannabis Regulation Fund	2.02	15.42	9.18	-
Transfers (to)/from Capital Expenditure Cash Fund	(67.23)	(1.69)	(9.65)	(17.02)
Transfers (to)/from General Obligation Debt Service Fund	(71.20)	(78.24)	(81.16)	(73.80)
Transfers (to)/from Vermont State Retirement Fund	(8.87)	(0.48)	-	-
Transfers (to)/from Postretirement Adjustment Allowance Account	(8.87)	(0.48)	-	-
<b>Total Transfers (to) from other funds</b>	<b>(207.09)</b>	<b>(185.02)</b>	<b>(192.60)</b>	<b>(210.88)</b>
Budget Stabilization Reserve	1.79	(15.17)	1.69	(9.04)
Human Services Caseload Reserve	2.48	-	2.72	-
27/53 Reserve	(5.35)	(5.48)	(5.70)	(6.55)
Balance Reserve (Rainy Day Fund)	(17.74)	(0.95)	-	
Other reserves / Carryforward	0.70		(134.91)	104.91
<b>Total reserved in GF (designated)</b>	<b>(18.12)</b>	<b>(21.60)</b>	<b>(136.20)</b>	<b>89.32</b>
<b>Total Allocated</b>	<b>(225.21)</b>	<b>(206.62)</b>	<b>(328.80)</b>	<b>(121.56)</b>
<b>Unallocated operating surplus/(deficit)</b>	<b>158.34</b>	<b>256.97</b>	<b>0.00</b>	<b>0.00</b>
<b>Stabilization Reserve at statutory level</b>	<b>104.88</b>	<b>120.05</b>	<b>118.36</b>	<b>127.40</b>
<b>GF reserves (cumulative)</b>				
Budget Stabilization Reserve	104.88	120.05	118.36	127.40
Human Services Caseload Reserve	94.53	94.53	91.81	91.81
27/53 Reserve	9.10	14.58	20.28	26.83
GF Balance Reserve	98.11	99.06	99.06	99.06
Other Reserves	0.00	-	134.91	30.00
<b>Total GF reserve balance</b>	<b>306.62</b>	<b>328.22</b>	<b>464.42</b>	<b>375.10</b>

\* Includes Jan E-Board Revenue Update.

Results may not add due to rounding.

## Transportation Fund Summary FY 2024 – FY 2027 (\$ millions)

	Actual FY 2024	Actual FY 2025	Governor's Recommended BAA FY 2026*	Governor's Recommended Budget FY 2027*
<b>Sources</b>				
Current law revenues	303.05	313.56	317.00	321.90
New revenue	-	-	-	10.00
Direct applications, reversions & 1-time revenue	0.06	0.33	0.29	-
Federal Reimbursements	0.18	0.09	-	12.24
For appropriation from TF	25.98	9.84	5.42	-
<b>Total sources</b>	<b>329.27</b>	<b>323.81</b>	<b>322.71</b>	<b>344.14</b>
<b>Uses</b>				
Base appropriations	331.74	358.26	340.15	341.66
Budget adjustment, rescissions & excess receipts	(12.22)	(17.53)	(7.50)	-
<b>Total uses</b>	<b>319.52</b>	<b>340.73</b>	<b>332.65</b>	<b>341.66</b>
<b>Subtotal operating surplus (deficit)</b>	<b>9.74</b>	<b>(16.93)</b>	<b>(9.94)</b>	<b>2.48</b>
<b>Allocation of surplus</b>				
Transfers (to) / from other funds				
Downtown Fund	(0.52)	(0.52)	(0.52)	(0.52)
Central Garage Fund	-	1.10	(1.65)	(1.69)
VT Recreational Trail Fund	(0.37)	(0.37)	(0.37)	(0.37)
Other Funds	(0.18)	23.92	12.04	1.20
Total transfers (to) / from other funds	(1.07)	24.13	9.50	(1.38)
Reserved in the TF (designated)				
Budget Stabilization Reserve	1.17	(1.78)	0.44	(1.10)
Bond Reserve	-	-	-	-
Total reserved in the TF (designated)	1.17	(1.78)	0.44	(1.10)
<b>Total allocated</b>	<b>0.09</b>	<b>22.34</b>	<b>9.94</b>	<b>(2.48)</b>
<b>Unallocated operating surplus (deficit)</b>	<b>9.84</b>	<b>5.42</b>	<b>0.00</b>	<b>0.00</b>
<b>Stabilization Reserve at statutory level of 5%</b>	<b>14.19</b>	<b>15.98</b>	<b>17.04</b>	<b>16.63</b>
<b>TF Reserves (cumulative)</b>				
Bond Reserve	-	-	-	-
Budget Stabilization Reserve	14.19	15.98	15.54	16.63
<b>Total TF Reserve Balance</b>	<b>14.19</b>	<b>15.98</b>	<b>15.54</b>	<b>16.63</b>

\*Revenue as adopted by the Vermont Emergency Board on Jan 16, 2026.

Results may not add due to rounding.

## Education Fund Summary FY 2024 – FY 2027 (\$ millions)

	Actual FY2024	Actual FY2025	Projected FY2026	Projected FY2027
<b>Sources*</b>				
Net Homestead Property Tax	508.10	592.41	623.95	671.03
Non-Homestead Property Tax	792.27	891.63	908.25	955.58
Sales & Use Tax - <i>100% of total</i>	595.18	609.71	625.00	640.90
Purchase & Use Tax - <i>one-third of total</i>	48.29	48.35	50.00	41.90
Meals & Rooms Tax - <i>one-quarter of total</i>	61.54	71.56	73.60	76.00
Lottery Revenue - <i>100% of total</i>	36.00	30.62	32.00	33.40
Medicaid Reimbursement	8.56	11.01	9.00	9.50
Other Sources (Wind, Solar, Fund Interest, Other)	8.97	6.21	5.00	4.30
<b>Total sources</b>	<b>2,058.90</b>	<b>2,261.50</b>	<b>2,326.79</b>	<b>2,432.61</b>
<b>Uses</b>				
Base Appropriations	2,131.62	2,302.70	2,430.06	2,563.61
Appropriations Savings	-	-	(13.20)	-
<b>Total uses</b>	<b>2,131.62</b>	<b>2,302.70</b>	<b>2,416.87</b>	<b>2,563.61</b>
<b>Subtotal operating surplus/(deficit)</b>	<b>(72.72)</b>	<b>(41.20)</b>	<b>(90.07)</b>	<b>(131.00)</b>
<b>Allocation of surplus/(deficit)</b>				
Transfer (to)/from the stabilization reserve	(5.20)	(5.03)	(2.45)	(3.69)
Transfer (to)/from continuing appropriations	(1.76)	17.04	-	-
Transfer (to)/from the General Fund	-	25.00	77.82	114.91
Transfer (to)/from Tax Rate Offset Reserve	(13.00)	-	13.00	-
Transfer (to)/from VSTRS COLA	(9.34)	-	-	-
Transfer (to)/from other funds	(4.14)	(1.40)	(1.50)	(1.55)
Transfer (to)/from unallocated	106.16	5.59	3.20	21.34
<b>Total allocated</b>	<b>72.72</b>	<b>41.20</b>	<b>90.07</b>	<b>131.00</b>
<b>Education fund reserves</b>				
<b>Budget stabilization reserve**</b>	<b>47.03</b>	<b>52.06</b>	<b>54.51</b>	<b>58.21</b>
<b>Statutory reserve at 5%</b>	<b>47.03</b>	<b>52.06</b>	<b>54.51</b>	<b>58.21</b>

Results may not add due to rounding.

\* Lottery, Meals and Room Tax, Sales and Use Tax, and Fund Interest revenues are reflected as adopted by the Vermont Emergency Board in January 2026. In Fiscal Year 2027, Purchase and Use Tax revenues reflect the January 2026 forecast less \$10M.

\*\*Only the Budget stabilization reserve component of the Education Fund balance is reflected in this statement.



## Current Services General Fund Budget

Per 32 V.S.A. § 306 (a)(1)

A current services budget measures the cost to the state in an upcoming budget period to deliver the same quantity and quality of services delivered in the current budget period. A current services budget incorporates the impact of factors such as: inflation and other changes in the per-person cost of providing the programs and services; any expected changes in the number of people utilizing those services and benefits due to population growth or other factors; any previously enacted changes that have not been phased in, ongoing formula-based adjustments, and other factors that would require statutory changes to undo; and collective bargaining agreements.

A current services budget does not reflect the impact of factors such as: proposed new policy changes not yet enacted; new programmatic initiatives; and proposed new revenue or tax receipts.

See General Fund Overview on page 10 for further detail.

2025 Act and Resolves No. 27, Sec.	Dept Name	FY 2026 As Passed	Base Adjustments - See bottom of sheet	FY26 Adjusted Base Starting Point	FY27 Current Service Level Current Law Budget	Increase/(Decrease)	% Variance
B.100	Administration - secretary's office	2,907,340	-	2,907,340	2,974,571	67,231	2.3%
B.106	Finance and management	1,254,559	-	1,254,559	1,320,303	65,744	5.2%
B.108	Human resources	1,931,766	-	1,931,766	2,009,464	77,698	4.0%
B.110	Libraries	2,371,969	-	2,371,969	2,470,909	98,940	4.2%
B.111	Tax	24,668,155	-	24,668,155	25,683,400	1,015,245	4.1%
B.113-116	Buildings and general services	6,882,414	-	6,882,414	7,115,472	233,058	3.4%
	<b>Sub-total Agency of Administration</b>	<b>40,016,203</b>	<b>-</b>	<b>40,016,203</b>	<b>41,574,119</b>	<b>1,557,916</b>	<b>3.9%</b>
B.105	Agency of Digital Services	233,207	-	233,207	9,317,892	9,084,685	3895.5%
B.124	Executive office - governor's office	1,997,850	-	1,997,850	2,086,338	88,488	4.4%
B.125-128	Legislative Branch - all appropriations	26,044,703	(1,500,000)	24,544,703	25,685,794	1,141,091	4.6%
B.129	Lieutenant governor	348,151	-	348,151	321,911	(26,240)	-7.5%
B.130	Auditor of accounts	408,398	-	408,398	289,054	(119,344)	-29.2%
B.131	Treasurer	2,729,084	-	2,729,084	2,849,590	120,506	4.4%
B.104.1	Retired State Employee Pension Plus	15,000,000	-	15,000,000	15,000,000	-	0.0%
B.135	State labor relations board	351,717	-	351,717	377,202	25,485	7.2%
B.136	VOSHA review board	84,251	-	84,251	91,275	7,024	8.3%
B.137	Homeowner rebate	19,000,000	-	19,000,000	17,500,000	(1,500,000)	-7.9%
B.138	Renter rebate	9,500,000	-	9,500,000	11,500,000	2,000,000	21.1%
B.139	Reappraisal & Listing Pmts	3,410,000	-	3,410,000	3,410,000	-	0.0%
B.140	Municipal Use Tax Reimbursement	21,350,000	-	21,350,000	21,650,000	300,000	1.4%
	<b>Sub-total Property Tax Assistance</b>	<b>53,260,000</b>	<b>-</b>	<b>53,260,000</b>	<b>54,060,000</b>	<b>800,000</b>	<b>1.5%</b>
	<b>Sub-total General Government</b>	<b>140,473,564</b>	<b>(1,500,000)</b>	<b>138,973,564</b>	<b>151,653,175</b>	<b>12,679,611</b>	<b>9.1%</b>
B.200	Attorney general	8,115,240	-	8,115,240	8,862,036	746,796	9.2%
B.201	Vermont court diversion	4,617,596	-	4,617,596	4,756,124	138,528	3.0%
B.202-203	Defender General	27,908,879	-	27,908,879	29,698,254	1,789,375	6.4%
B.204	Judiciary	72,601,728	-	72,601,728	76,041,361	3,439,633	4.7%
B.205	State's attorneys	20,541,309	-	20,541,309	21,700,038	1,158,729	5.6%
B.206	Special investigative units	2,291,219	-	2,291,219	2,359,798	68,579	3.0%
B.206.1	Crime Victims Advocates	3,339,331	-	3,339,331	3,776,574	437,243	13.1%
B.207	Sheriffs	6,538,629	-	6,538,629	7,144,315	605,686	9.3%
B.208-213	Public safety	105,035,419	-	105,035,419	111,946,069	6,910,650	6.6%
B.215-219	Military	7,003,522	-	7,003,522	7,275,120	271,598	3.9%
B.220	Center for crime victims services	1,650,091	-	1,650,091	1,699,898	49,807	3.0%
B.221	Criminal justice training council	4,260,265	-	4,260,265	4,331,708	71,443	1.7%
B.222-225.2	Agriculture, food and markets	12,838,113	-	12,838,113	13,394,379	556,266	4.3%
B.232	Secretary of State	1,350,000	-	1,350,000	1,350,000	-	0.0%
B.236	Human rights commission	1,292,811	-	1,292,811	1,358,575	65,764	5.1%
B.240	Cannabis Control Board	-	-	-	4,576,032	4,576,032	
	<b>Sub-total Protection</b>	<b>279,384,152</b>	<b>-</b>	<b>279,384,152</b>	<b>300,270,281</b>	<b>20,886,129</b>	<b>7.5%</b>

2025 Act and Resolves No. 27, Sec.	Dept Name	FY 2026 As Passed	Base Adjustments - See bottom of sheet	FY26 Adjusted Base Starting Point	FY27 Current Service Level Current Law Budget	Increase/(Decrease)	% Variance
B.301	Global Commitment	712,815,861	-	712,815,861	738,819,462	26,003,601	3.6%
B.306, B.309, B.310	Department of Vermont Health Access	119,421,734	-	119,421,734	125,153,531	5,731,797	4.8%
B.311 - 313	Health	24,255,271	-	24,255,271	25,298,169	1,042,898	4.3%
B.314	Mental health	31,995,840	-	31,995,840	39,921,073	7,925,233	24.8%
B.316-328	Department for children and families	252,110,116	-	252,110,116	277,825,566	25,715,450	10.2%
B.329-334.1	Disabilities, aging and independent living	35,770,631	-	35,770,631	38,309,166	2,538,535	7.1%
B.335-339	Corrections	221,183,300	-	221,183,300	230,582,014	9,398,714	4.2%
	<b>Sub-total Agency of Human Services</b>	<b>1,413,660,675</b>	<b>-</b>	<b>1,413,660,675</b>	<b>1,488,611,045</b>	<b>74,950,370</b>	<b>5.3%</b>
B.342	Vermont Veterans Home	10,033,214	-	10,033,214	10,370,653	337,439	3.4%
B.343	Commission on women	516,773	-	516,773	536,228	19,455	3.8%
B.344	Retired senior volunteer program	164,960	-	164,960	169,909	4,949	3.0%
B.345	Green Mountain Care Board	3,970,074	-	3,970,074	4,127,281	157,207	4.0%
B.346	Office of Child & Youth Advocate	457,363	-	457,363	492,166	34,803	7.6%
	<b>Sub-total Human Services</b>	<b>1,428,803,059</b>	<b>-</b>	<b>1,428,803,059</b>	<b>1,504,307,282</b>	<b>75,504,223</b>	<b>5.3%</b>
B.400	Labor	11,313,657	-	11,313,657	11,854,490	540,833	4.8%
	<b>Sub-Total Labor</b>	<b>11,313,657</b>	<b>-</b>	<b>11,313,657</b>	<b>11,854,490</b>	<b>540,833</b>	<b>4.8%</b>
B.500, 501, 504, 504.1, 511.1	Education - finance/admin/ed services - plus adult ed & literacy	19,839,129	150,000	19,989,129	21,109,548	1,120,419	5.6%
B.514	State teachers' retirement system	160,566,569	-	160,566,569	170,750,066	10,183,497	6.3%
B.515	Retired teachers health care	49,091,090	-	49,091,090	62,640,904	13,549,814	27.6%
B.513	Retired Teachers Pension Plus Funding	15,000,000	-	15,000,000	15,000,000	-	0.0%
	<b>Sub-Total General Education</b>	<b>244,496,788</b>	<b>150,000</b>	<b>244,646,788</b>	<b>269,500,518</b>	<b>24,853,730</b>	<b>10.2%</b>
B.600	University of Vermont	57,378,104	-	57,378,104	59,099,447	1,721,343	3.0%
B.602	Vermont state colleges	52,468,692	-	52,468,692	54,042,753	1,574,061	3.0%
B.603	Vermont state colleges - allied health	297,087	-	297,087	306,000	8,913	3.0%
B.605	Vermont student assistance corporation	27,084,946	-	27,084,946	27,897,494	812,548	3.0%
B.605.1	VSAC - Flexible Pathways Stipend	41,225	-	41,225	41,225	-	0.0%
B.606	New England higher education compact	86,520	-	86,520	86,520	-	0.0%
B.607	University of Vt - Morgan Horse Farm	1	-	1	-	(1)	-100.0%
	<b>Sub-Total Higher Education</b>	<b>137,356,575</b>	<b>-</b>	<b>137,356,575</b>	<b>141,473,439</b>	<b>4,116,864</b>	<b>3.0%</b>
B.700	Agency of natural resources - admin	5,344,094	-	5,344,094	5,497,991	153,897	2.9%
B.701	ANR Local property tax assessment	2,284,334	-	2,284,334	2,290,143	5,809	0.3%
B.702	Fish and wildlife	9,532,865	-	9,532,865	10,290,957	758,092	8.0%
B.703 - B.708	Forests, parks and recreation	13,586,861	-	13,586,861	13,846,903	260,042	1.9%
B.709 - B.712	Environmental conservation	15,748,560	-	15,748,560	16,775,183	1,026,623	6.5%
	<b>Sub-Total Agency of Natural Resources</b>	<b>46,496,714</b>	<b>-</b>	<b>46,496,714</b>	<b>48,701,177</b>	<b>2,204,463</b>	<b>4.7%</b>
B.713	Land Use Review Board	4,169,020	-	4,169,020	4,364,343	195,323	4.7%
	<b>Sub-Total Natural Resources</b>	<b>50,665,734</b>	<b>-</b>	<b>50,665,734</b>	<b>53,065,520</b>	<b>2,399,786</b>	<b>4.7%</b>

2025 Act and Resolves No. 27, Sec.	Dept Name	FY 2026 As Passed	Base Adjustments - See bottom of sheet	FY26 Adjusted Base Starting Point	FY27 Current Service Level Current Law Budget	Increase/(Decrease)	% Variance
B.801	Economic Development	5,937,190	-	5,937,190	6,175,064	237,874	4.0%
B.802	Housing & Community Development	7,656,505	-	7,656,505	7,994,435	337,930	4.4%
B.806	Tourism and marketing	4,960,125	-	4,960,125	5,137,964	177,839	3.6%
	<b>Sub-Total Agency of Commerce</b>	<b>22,356,583</b>	-	<b>22,356,583</b>	<b>23,163,012</b>	<b>806,429</b>	<b>3.6%</b>
B.808	Vermont council on the arts	1,003,063	-	1,003,063	1,033,155	30,092	3.0%
B.809	Vermont symphony orchestra	154,170	-	154,170	158,795	4,625	3.0%
B.810	Vermont historical society	1,202,564	-	1,202,564	1,245,583	43,019	3.6%
B.811	Vermont Housing & Conservation Board	1,631,582	-	1,631,582	1,680,529	48,947	3.0%
B.812	Vermont humanities council	318,270	-	318,270	327,818	9,548	3.0%
	<b>Sub-Total Commerce</b>	<b>26,666,232</b>	-	<b>26,666,232</b>	<b>27,608,892</b>	<b>942,660</b>	<b>3.5%</b>
B.1000	Debt service	675,000	-	675,000	675,000	-	0.0%
	<b>Sub-Total Debt Service</b>	<b>675,000</b>	-	<b>675,000</b>	<b>675,000</b>	-	<b>0.0%</b>
	<b>Total Base Appropriations</b>	<b>2,319,834,761</b>	<b>(1,350,000)</b>	<b>2,318,484,761</b>	<b>2,460,408,597</b>	<b>141,923,836</b>	<b>6.1%</b>
2024 Act 113 G.109(a)	Executive Branch Pay Act	24,644,442	-	24,644,442	25,640,077	995,635	4.0%
2024 Act 113 G.109(c)	Legislative Branch Pay Act	758,613	-	758,613	789,261	30,648	4.0%
2024 Act 113G.109(b)	Judicial Branch Pay Act	2,388,783	-	2,388,783	2,485,290	96,507	4.0%
	<b>Sub-Total Pay Act</b>	<b>27,791,838</b>	-	<b>27,791,838</b>	<b>28,914,628</b>	<b>1,122,790</b>	<b>4.0%</b>
	<b>Total Base Appropriations + Pay Act</b>	<b>2,347,626,599</b>	<b>(1,350,000)</b>	<b>2,346,276,599</b>	<b>2,489,323,225</b>	<b>143,046,626</b>	<b>6.1%</b>
	2025 Acts and Resolves No. 27 Section E.126(a)  (a) It is the intent of the General Assembly that of the General Fund appropriation in Sec. B.126 of this act, \$1,500,000 be for expenses including meetings of the General Assembly not budgeted for in prior, current, or future appropriations acts. It is further the intent of the General Assembly that the proposed fiscal year 2027 General Assembly budget exclude this \$1,500,000 from any calculation of its base appropriation amount.		(1,500,000)				
	2025 Acts and Resolves No. 73 Section 31(b)  (b) The sum of \$150,000.00 is appropriated from the General Fund to the Agency of Education's base budget in fiscal year 2026 for the purposes of funding the position created in subsection (a) of this section. The Agency shall include funding for this permanent position in their annual base budget request in subsequent years.		150,000				
	<b>Base Adjustments</b>		<b>(1,350,000)</b>				

## OTHER REQUIRED REPORTS

### Tax Expenditure Report

Tax expenditures are statutory provisions that reduce the amount of revenue collected to encourage certain activities or to limit the tax burden on certain types of individuals. By reducing the amount of tax revenues collected by the government, tax expenditures can have the same fiscal impact as direct government expenditures, even though they appear as reductions in taxes.

Tax expenditures, however, differ from direct spending programs in one important respect. Direct appropriations for government programs are evaluated annually during the budget process, and the Legislature must take affirmative action to continue funding. Additionally, direct spending programs are itemized in the budget and are therefore more transparent to the public. Tax expenditures usually represent permanently foregone revenue and are not evident in the state budget or subject to the same annual review process.

Annual Tax Expenditure Budget reporting is codified under 32 V.S.A. § 306. The schedule for reporting is segregated into the following categories:

- (1) A budget covering tax expenditures related to non-profits and charitable organizations and covering miscellaneous expenditures shall be made by the third Tuesday of the legislative session beginning in January 2012 and every three years thereafter.
- (2) A budget covering tax expenditures related to economic development, including business, investment, and energy, shall be made by the third Tuesday of the legislative session beginning in January 2013 and every three years thereafter.
- (3) A budget covering tax expenditures made in furtherance of Vermont's human services, including tax expenditures affecting veterans, shall be made by the third Tuesday of the legislative session beginning in January 2014 and every three years thereafter.

This year's Tax Expenditure Budget Report covers tax expenditures related to Vermont's human services, including tax expenditures affecting veterans. The budget is shown on the following two charts first sorted by related agency and second sorted by tax category.

Human Services Tax Expenditure Budget Report by Agency					
Agency/ Dept.	Tax Type	Tax Expenditure Category	2025 Estimate	2026 Estimate	2027 Projected
AHS	Individual Income	Child and Dependent Care Credit	4,838,000	4,838,000	5,838,000
AHS	Individual Income	Child Tax Credit	24,000,000	28,500,000	28,500,000
AHS	Individual Income	Credit for Elderly or Disabled	2,000	2,000	2,000
AHS	Meals and Rooms	Grocery-type items furnished for takeout	8,314,000	8,423,000	8,534,000
AHS	Meals and Rooms	Served in hospitals, convalescent, and nursing homes	960,000	960,000	960,000
AHS	Motor Vehicle P&U	Handicap	36,000	36,000	36,000
AHS	Property	Cemeteries	570,000	576,000	616,000
AHS	Property	Humane Societies	161,000	162,000	173,000
AHS	Property	Public, Pious, and Charitable Property - Charitable	8,364,000	8,447,000	9,038,000
AHS	Property	Public, Pious, and Charitable Property - College	17,793,000	17,970,000	19,228,000
AHS	Property	Public, Pious, and Charitable Property - Hospital	18,523,000	18,708,000	20,018,000
AHS	Property	Public, Pious, and Charitable Property - Pious	14,326,000	14,469,000	15,482,000
AHS	Property	Public, Pious, and Charitable Property - School	7,836,000	7,914,000	8,468,000
AHS	Property	YMCA and YWCAs	382,000	385,000	412,000
AHS	Sales and Use	Clothing and Footwear	42,638,000	43,218,000	43,806,000
AHS	Sales and Use	Energy Purchases for a Residence	53,381,000	54,321,000	55,277,000
AHS	Sales and Use	Medical Products	64,158,000	66,069,000	68,038,000
AHS	Sales and Use	Rentals of Coin-Operated Washing Facilities	1,330,000	1,346,000	1,361,000
AHS	Sales and Use	Sales of Food	135,333,000	137,025,000	138,739,000
<b>AHS Expenditures Total</b>			<b>402,945,000</b>	<b>413,369,000</b>	<b>424,526,000</b>
AHS/ACCD	Corporate Income	Affordable Housing Credit	0	0	0
AHS/ACCD	Corporate Income	Qualified Sale of Mobile Home Park Credit	0	0	0
AHS/ACCD	Individual Income	Charitable Housing Credit	76,000	76,000	76,000
AHS/ACCD	Individual Income	Affordable Housing Credit	*	*	*
AHS/ACCD	Individual Income	Qualified Sale of Mobile Home Park Credit	*	*	*
AHS/ACCD	Property	Housing Authorities	2,110,000	2,302,000	2,463,000
AHS/ACCD	Property	Qualified Housing	1,188,000	1,200,000	1,284,000
<b>AHS/ACCD Expenditures Total</b>			<b>3,374,000</b>	<b>3,578,000</b>	<b>3,823,000</b>
AHS/ACCD/TAX	Bank Franchise	Affordable housing Tax Credit	3,188,000	3,188,000	3,188,000
<b>AHS/ACCD/TAX Expenditures Total</b>			<b>3,188,000</b>	<b>3,188,000</b>	<b>3,188,000</b>
AHS/AOE	Individual Income	Student Loan Interest Deduction	658,000	700,000	744,000
AHS/AOE	Meals and Rooms	Served on the premises of a school	Data Unavailable	Data Unavailable	Data Unavailable
AHS/AOE	Meals and Rooms	Summer camp for children	Under 100,000	Under 100,000	Under 100,000
<b>AHS/AOE Expenditures Total</b>			<b>658,000</b>	<b>700,000</b>	<b>744,000</b>
AHS/MIL	Individual Income	Military Pay Exemption	1,861,000	1,861,000	1,861,000
AHS/MIL	Individual Income	Military Retirement/Survivors' Benefit Exemption	--	2,500,000	2,538,000
AHS/MIL	Individual Income	Social Security/Civil Service Retirement System Exemption	--	10,122,000	10,277,000
AHS/MIL	Individual Income	Social Security/Military Retirement & Civil Service Retirement System Threshold Exemption	8,022,000	--	--
AHS/MIL	Motor Vehicle P&U	Veterans	6,000	6,000	6,000
AHS/MIL	Property	\$10,000 for Veterans	592,000	598,000	639,000
<b>AHS/MIL Expenditures Total</b>			<b>10,481,000</b>	<b>15,087,000</b>	<b>15,321,000</b>
AHS/TAX	Bank Franchise	Charitable Housing Credit	0	0	0
AHS/TAX	Corporate Income	Charitable Housing Credit	*	*	*
AHS/TAX	Individual Income	Earned Income Tax Credit	26,262,000	29,262,000	29,262,000
<b>AHS/TAX Expenditures Total</b>			<b>26,262,000</b>	<b>29,262,000</b>	<b>29,262,000</b>
TAX	Motor Vehicle P&U	Religious, charitable	74,000	74,000	74,000
<b>TAX Expenditures Total</b>			<b>74,000</b>	<b>74,000</b>	<b>74,000</b>
TAX/VET	Individual Income	Veteran Tax Credit	--	1,400,000	1,400,000
<b>TAX/VET Expenditures Total</b>			<b>0</b>	<b>1,400,000</b>	<b>1,400,000</b>
<b>GRAND TOTAL</b>			<b>\$ 446,982,000</b>	<b>\$ 466,658,000</b>	<b>\$ 478,338,000</b>

In accordance with 32 V.S.A. § 306, the FY 2027 Tax Expenditure Budget covers "tax expenditures made in furtherance of Vermont's human services, including tax expenditures affecting veterans." The budget is comprised of those tax expenditures included in the biennial tax expenditure reports. Tax expenditures related to economic development and to non-profits and charitable organizations will be reported in subsequent Executive Budgets, per statute. Information pertaining to fewer than 10 returns has been suppressed by "\*\*".

Human Services Tax Expenditure Budget Report by Tax Type					
Tax Type	Agency/ Dept.	Tax Expenditure Category	2025 Estimate	2026 Estimate	2027 Projected
Individual Income	AHS	Child and Dependent Care Credit	4,838,000	4,838,000	5,838,000
Individual Income	AHS	Credit for Elderly or Disabled	2,000	2,000	2,000
Individual Income	AHS/MIL	Military Pay Exemption	1,861,000	1,861,000	1,861,000
Individual Income	AHS/ACCD	Charitable Housing Credit	76,000	76,000	76,000
Individual Income	AHS/ACCD	Affordable Housing Credit	*	*	*
Individual Income	AHS/ACCD	Qualified Sale of Mobile Home Park Credit	*	*	*
Individual Income	AHS/TAX	Earned Income Tax Credit	26,262,000	29,262,000	29,262,000
Individual Income	AHS	Child Tax Credit	24,000,000	28,500,000	28,500,000
Individual Income	AHS/AOE	Student Loan Interest Deduction	658,000	700,000	744,000
Individual Income	AHS/MIL	Social Security/Military Retirement & Civil Service Retirement System Threshold Exemption	8,022,000	--	--
Individual Income	AHS/MIL	Military Retirement/Survivors' Benefit Exemption	--	2,500,000	2,538,000
Individual Income	AHS/MIL	Social Security/Civil Service Retirement System Exemption	--	10,122,000	10,277,000
Individual Income	TAX/VET	Veteran Tax Credit	--	1,400,000	1,400,000
<b>Individual Income Tax Expenditures Total</b>			<b>65,719,000</b>	<b>79,261,000</b>	<b>80,498,000</b>
Corporate Income	AHS/TAX	Charitable Housing Credit	*	*	*
Corporate Income	AHS/ACCD	Affordable Housing Credit	0	0	0
Corporate Income	AHS/ACCD	Qualified Sale of Mobile Home Park Credit	0	0	0
<b>Corporate Income Tax Expenditures Total</b>			<b>*</b>	<b>*</b>	<b>*</b>
Sales and Use	AHS	Medical Products	64,158,000	66,069,000	68,038,000
Sales and Use	AHS	Sales of Food	135,333,000	137,025,000	138,739,000
Sales and Use	AHS	Rentals of Coin-Operated Washing Facilities	1,330,000	1,346,000	1,361,000
Sales and Use	AHS	Energy Purchases for a Residence	53,381,000	54,321,000	55,277,000
Sales and Use	AHS	Clothing and Footwear	42,638,000	43,218,000	43,806,000
<b>Sales and Use Tax Expenditures Total</b>			<b>296,840,000</b>	<b>301,979,000</b>	<b>307,221,000</b>
Meals and Rooms	AHS	Grocery-type items furnished for takeout	8,314,000	8,423,000	8,534,000
Meals and Rooms	AHS/AOE	Served on the premises of a school	Data Unavailable	Data Unavailable	Data Unavailable
Meals and Rooms	AHS	Served in hospitals, convalescent, and nursing homes	960,000	960,000	960,000
Meals and Rooms	AHS/AOE	Summer camp for children	Under 100,000	Under 100,000	Under 100,000
<b>Meals and Rooms Tax Expenditures Total</b>			<b>9,274,000</b>	<b>9,383,000</b>	<b>9,494,000</b>
Property	AHS/ACCD	Housing Authorities	2,110,000	2,302,000	2,463,000
Property	AHS	Public, Pious, and Charitable Property - Charitable	8,364,000	8,447,000	9,038,000
Property	AHS	Public, Pious, and Charitable Property - College	17,793,000	17,970,000	19,228,000
Property	AHS	Public, Pious, and Charitable Property - Pious	14,326,000	14,469,000	15,482,000
Property	AHS	Public, Pious, and Charitable Property - School	7,836,000	7,914,000	8,468,000
Property	AHS	Public, Pious, and Charitable Property - Hospital	18,523,000	18,708,000	20,018,000
Property	AHS	YMCA and YWCAs	382,000	385,000	412,000
Property	AHS	Cemeteries	570,000	576,000	616,000
Property	AHS	Humane Societies	161,000	162,000	173,000
Property	AHS/MIL	\$10,000 for Veterans	592,000	598,000	639,000
Property	AHS/ACCD	Qualified Housing	1,188,000	1,200,000	1,284,000
<b>Property Tax Expenditures Total</b>			<b>71,845,000</b>	<b>72,731,000</b>	<b>77,821,000</b>
Bank Franchise	AHS/ACCD/TAX	Affordable housing Tax Credit	3,188,000	3,188,000	3,188,000
Bank Franchise	AHS/TAX	Charitable Housing Credit	0	0	0
<b>Insurance Premiums Tax Expenditures Total</b>			<b>3,188,000</b>	<b>3,188,000</b>	<b>3,188,000</b>
Motor Vehicle P&U	AHS/MIL	Veterans	6,000	6,000	6,000
Motor Vehicle P&U	TAX	Religious, charitable	74,000	74,000	74,000
Motor Vehicle P&U	AHS	Handicap	36,000	36,000	36,000
<b>Motor Vehicle Purchase &amp; Use Expenditures Total</b>			<b>116,000</b>	<b>116,000</b>	<b>116,000</b>
<b>GRAND TOTAL</b>			<b>\$ 446,982,000</b>	<b>\$ 466,658,000</b>	<b>\$ 478,338,000</b>

In accordance with 32 V.S.A. § 306, the FY 2027 Tax Expenditure Budget covers "tax expenditures made in furtherance of Vermont's human services, including tax expenditures affecting veterans." The budget is comprised of those tax expenditures included in the biennial tax expenditure reports. Tax expenditures related to economic development and to non-profits and charitable organizations will be reported in subsequent Executive Budgets, per statute. Information pertaining to fewer than 10 returns has been suppressed by \*\*\*.

## Retirement Systems Financial Integrity Report

As specified in 32 V.S.A. § 311, the following is a report on the financial integrity of the State Employees' and State Teachers' Retirement Systems.

### Contribution Levels

#### VSERS

As a result of the June 30, 2025 actuarial valuation, the actuary for the Vermont State Employees' Retirement System (VSERS) recommended a FY 2027 contribution of \$140,459,108 to the pension plan (VSERS pension) and \$105,405,207 to the Vermont State Employees' Other Post-Employment Benefits (VSERS OPEB) plan.

The State's VSERS pension contribution is offset by \$1,900,000, based on the Treasurer's estimate of FY 2027 contributions to VSERS by town participants, which reduces the state contribution to \$138,559,108. Per 3 V.S.A. §473(c)(8)(B), the State is further committed to an additional payment in FY 2027 of \$15,000,000 above the actuarial recommendation towards the system's unfunded liability, for an adjusted total of \$153,559,108.

The State's contribution to the VSERS OPEB during FY 2027 will be \$105,405,207 reflecting the full actuarial recommendation.

#### VSTRS

As a result of the June 30, 2025 actuarial valuation, the actuary for the Vermont State Teachers' Retirement System (VSTRS) recommended a FY 2027 contribution of \$220,905,084 to the pension fund (VSTRS pension) and \$99,834,595 to the Retired Teachers' Health and Medical Benefits (VSTRS OPEB) fund.

The actuarially recommended FY 2027 VSTRS contribution of \$220,905,084 will be funded by \$170,750,066 of State general funds, \$42,155,018 of State education funds and \$8,000,000 from local education agencies for teacher salaries supported by federal grants. Of the \$8,000,000, \$1,583,993 will be applied to the normal cost, and \$6,416,007 will be applied to the unfunded liability. Per 16 V.S.A. §19449(c)(13)(B), the State is further committed to an additional payment in FY 2027 of \$15,000,000 above the actuarial recommendation towards the system's unfunded liability, which will be funded from State general funds.

The FY 2027 VSTRS OPEB contribution of \$99,834,595 will be funded by \$62,640,904 of State general funds, \$28,193,691 of State education funds, and \$9,000,000 from the employer annual charge for new teacher health care. Of the \$9,000,000, \$2,793,465 will be applied to the normal cost, and \$6,206,535 will be applied to the unfunded liability.

## Funding Levels

State statutes define the method of funding the retirement systems, which is assessed and reported by an independent actuary. The funded ratios (and resulting unfunded liability) for the VSERS and VSTRS pension systems for the period ended June 30, 2025 are 74.92% (\$985,494,742 unfunded liability) and 65.85% (\$1,625,927,125 unfunded liability) respectively. The funded ratios (and resulting unfunded liability) for the VSERS OPEB and VSTRS OPEB plans for the period ended June 30, 2025 are 16.60% (\$1,122,369,900 unfunded liability) and 13.56% (\$1,037,965,541 unfunded liability), respectively. The pension system (VSERS and VSTRS) values are derived using the GASB 67 accounting standard actuarial valuations, and the OPEB system values are derived from the GASB 74 actuarial valuations, all of which are produced by the State's actuary.



## APPENDIX A: FY 2027 Performance Accountability

### **Why Performance Accountability Matters**

Measuring government performance is a critical aspect of accountability that involves evaluating the efficiency and effectiveness of government activities. It provides a way to assess whether public resources are being utilized optimally and if policy objectives are being achieved. It also helps identify areas of success and areas that require improvement. By gauging government performance, policymakers and program implementers can enhance service delivery, address challenges, and allocate resources more efficiently.

In Vermont, performance accountability is organized around two interconnected approaches:

- Population-Level Accountability
- Program-Level Accountability

### **Population-Level Accountability**

To address population accountability, the Vermont State Legislature enacted Act 186 in 2014. The law established ten aspirational outcomes of well-being for Vermonters. These outcomes range from a prosperous economy to a safe environment, nurturing families, and dignified living for elders and individuals with disabilities. Each outcome is linked to specific indicators that quantitatively assess various aspects of the Vermont experience at a population-level. As per 3 VSA §2311 (a), on or before September 30 of each year, the Chief Performance Officer within the Agency of Administration submits to the General Assembly a State Outcomes report demonstrating the State's progress in reaching the population-level outcomes for each area of Vermont's quality of life by providing data for the population-level indicators. This is done through an interactive scorecard which serves as a mechanism by which the underlying data can be made available to the public, stakeholders, and decision-makers, ensuring it is able to be used collectively to drive positive change for the state and its residents.

### **Program-Level Accountability**

Performance measure reporting is one of the ways in which program accountability is achieved. Required in Act 186 of 2014 and associated with 32 V.S.A. § 307(c)(2), this reporting supports program accountability by making program performance measures available in a consistent format and accessible from a centralized location. This reporting is intended to help inform resource allocation, enhance accountability, and drive continuous improvement in government operations. The reporting consolidates data from various state systems and participation from state agencies. Recent enhancements, such as polarities and trend indicators, improve clarity and usability, helping stakeholders better understand program efficiency and effectiveness. Programmatic and performance measure data are reported by Performance Accountability Liaisons and program staff. Participation by the Governor's Cabinet (agencies and departments) is strongly encouraged while other non-Cabinet executive branch elected offices, boards, commissions, and the Judiciary are invited, but not required, to participate.

### **Coordinated Reporting**

In 2025, the Chief Performance Office began integrating population-level indicators and program-level measures into a single, coordinated performance reporting effort. This approach improves accessibility and helps leaders, legislators, and the public better understand how program efforts contribute to broader statewide results.

Currently:

- Both data sets are accessible through the [2025 State of Vermont Performance Report dashboard](#)
- Population-level indicators are housed in Clear Impact
- Direct navigation links connect population and program data to present a more complete performance story

### **The Role of the Chief Performance Office (CPO)**

Performance accountability is part of the CPO's broader mission to empower state government to better solve problems, manage operations, and improve results. The CPO advances this mission through:

- Professional development to strengthen the knowledge, skills, and abilities of state employees and leaders
- Coaching and mentoring
- Promotion of continuous improvement principles
- Support for process management and improvement
- Project management, consultation, and facilitation
- Data analysis and performance reporting
- Organizational assessment and strategy development and deployment

Together, these efforts support a more effective, responsive, and accountable Vermont State Government.

## APPENDIX B: PUBLIC COMMENTS

### Public Participation - Public Budget Forums

In accordance with 32 V.S.A. § 306 (d), the development process for the Governor's budget recommendations includes public participation and a current services budget.

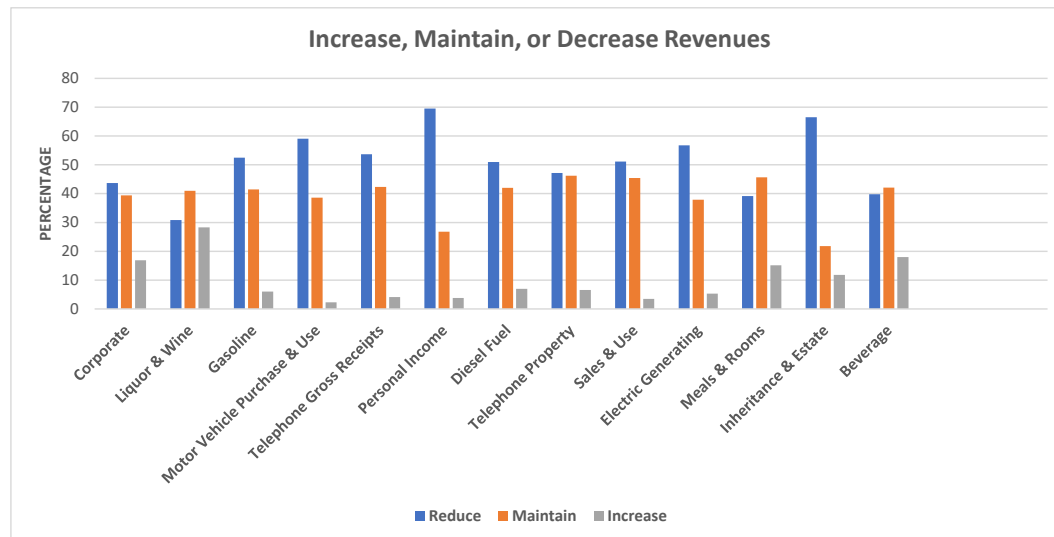
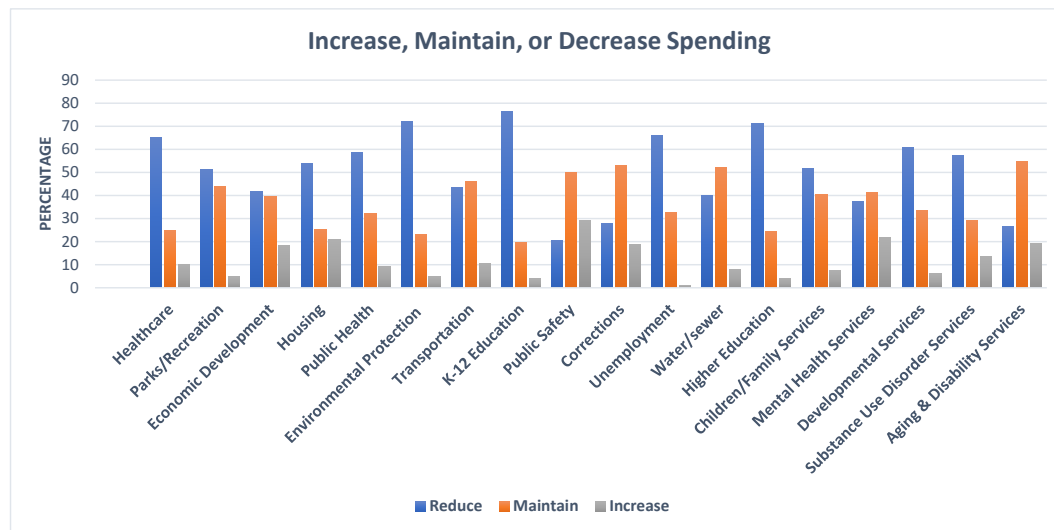
#### Public Participation ~ Public Budget Forums

Under this section, the Governor is required to develop a process for public participation in the development of goals and general prioritization of spending and revenue initiatives as part of the state's budget. To meet this requirement the Secretary of Administration and the Department of Finance & Management posted an online survey and hosted an online feedback request form.

Using the Department of Finance & Management's public website, the Administration posted an online presentation describing the overall budget and budgeting process, found online on their [website](#).

The Administration invited comments both via survey and via written submissions during an eight-week period in October, November, and December of 2025.

During this time, Finance and Management received 412 responses (via Microsoft Forms) and 590 written comments, a few of which can be reviewed in detail on page 34.



## APPENDIX B: PUBLIC COMMENTS

### Categories of responses

Agency of Human Services, Department of Mental Health – 1

General Government – 2

Housing – 2

Return to Office – 2

Agency of Education – 6

Vermont Crime Information Center (VCIC) – 10

Vermont State Youth Council – 15

BIPOC Business and Workforce Development – 20

Public Utility Commission – 30

Community Action Agencies – 34

Agency of Human Services, Department for Children and

Families – 64

Agency of Human Services, Department of Health – 69

Agency of Natural Resources – 129

Food Security – 206

### Selected Quotes from Respondents:

“Please appropriate \$5 million to Vermont Foodbank for FY27 to support Vermonters Feeding Vermonters (\$2m), Supporting Network Partners (\$2m) and Ready Response (\$1m). I have worked at Vermont Foodbank for the last 8 years, and have seen firsthand the difference that quality, local produce through Vermonters Feeding Vermonters can make at our food distributions to community members receiving and farmers providing the food. In some cases, diet-related diseases have been vastly improved. It makes a huge difference. Thank you for supporting dignified, nourishing food for everyone.”

“Dear Governor Scott, please appropriate \$20 million for the Farm & Forestry Operations Security Special Fund envisioned in S.60 for FY2027. As you know it is more important than ever to support our farmers. I belong to a food hub group, and we are seeing how close to the edge many farmers are feeling and how much they appreciate any help they can get. You are one of the few people in the state who can help them on a scale the rest of us can't. Thank you for supporting this important fund.”

“I support the allocation of \$140,000 to the Vermont State Youth Council for the FY27. I believe this program helps ensure the civic engagement of young people in Vermont and leads to a stronger and more united state government. The Council cannot continue to rely on federal funding, as federal funding is unreliable and may lead to the censorship of youth.”

“I'm a concerned Child Care Director calling to urge Governor Scott to add to his budget the funds necessary to fix the fingerprinting and background check crisis. Delays up to 12 weeks are creating a workforce bottleneck in childcare, leaving classrooms empty and parents unable to work. We have experienced a 4-month delay over this past summer. We are currently waiting for prints to be returned that were completed at the beginning of October. We have also experienced a delay in getting the initial VT record check of up to two weeks.”

## ACKNOWLEDGEMENTS AND CREDITS

This Executive Summary and the Governor's recommended budget were prepared by the Budget & Management Division of the Department of Finance & Management with the assistance of agency and department heads, business managers, and finance staff across the State.

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# Fiscal Year 2027 Budget Summary

Vermont Department of Finance & Management

Adam Greshin, Commissioner

The purpose of this publication is to inform members of the Vermont Legislature, state and local government officials, and Vermont residents of the Fiscal Year 2027 Budget Recommendations of Governor Philip B. Scott.

This publication is available for viewing or printing at the  
Department of Finance & Management website:  
[FY2027 | Department of Finance and Management \(vermont.gov\)](https://www.vermont.gov/finance/fy2027)

Photo credit: Anna Reinold, Trapp Family Lodge, Stowe, VT