



## **H.679 Fiscal Year 2022 Budget Adjustment Bill as Proposed by House Appropriations Committee**

### **Overview:**

The budget adjustment increases unduplicated appropriations by \$358.6M, which is 4.9% over the budget passed in May. This reflects the one-time General Funds currently available within the FY 2022 forecast, appropriating an additional \$113M. This bill also allocates \$106.3M more ARPA State Fiscal Recovery (SFR) funds. Federal matching funds in Medicaid and other smaller special funds adjustments make up the balance of the total increase. These funds are being spent to address the costs of operating state government, including programs that provide services and benefits to Vermonters during the ongoing COVID-19 pandemic. This budget adjustment maintains the full funding for the statutorily required stabilization reserves including the budget stabilization reserve, the Rainy-Day reserve, the transportation fund reserve, and the education fund reserve.

### Key Provisions in the Budget Adjustment Bill:

#### **General Fund (GF) –**

##### APPROPRIATION ADJUSTMENTS:

- Funds Medicaid caseload and utilization increase of \$67.5M gross (\$28.7M state)
- Funds case load and cost per case increases in the Dept. for Children and Families for adoption and substitute care
- Funds \$6.1M in the Dept. for Children and Families-Office of Economic Opportunity for Emergency Housing Plan initiatives including rental risk mitigation, transportation for General Assistance clients, and rapid resolution housing
- Funds retention proposals per the Collective Bargaining Agreement at the Dept. of Mental Health using Global Commitment funds
- Adds \$440,000 GF to maintain the 988 Suicide Prevention Line
- Support Vermont Veterans Home cost of traveling nurses, and misc. operating/repairs

##### ONE-TIME EXPENDITURES:

- Transfers an additional \$50M to the pension reserve bringing the GF total to \$200M. These reserves along with the \$14M reserved in the Education Fund is anticipated to be applied in pending retirement systems legislation.
- Reserves the first \$85M of unreserved and undesignated funds remaining at the end of FY 2022 to be used as state match for the federal infrastructure bill.
- Adds \$30M to VHCB for housing and increased shelter capacity (also \$25M ARPA SFR funds)
- Adds \$20M to ACCD for Vermont Housing Incentive Program (VHIP)
- Transfers \$1.55M to the Center for Crime Victims Services funds to address revenue shortfall and \$112,000 to provide legal services to victims
- Provides \$350,000 for Adult Ed and Literacy programs effected by COVID-19
- Adds \$300,000 to support public, educational and governmental (PEG TV) services
- Adds \$166,667 to support four statewide syringe service programs
- Provides additional \$250,000 for Municipal Planning Grants



- Funds State House expansion planning RFP with \$1.5M (these are re-directed, unspent legislative resources)
- Partially pays down the BGS Property management Fund deficit with \$5M
- Provides \$8.3M between appropriations to ADS and reserves for the State Liability Self-Insurance fund for cyber security needs.

**Transportation Fund –**

- One-Time \$19.9M payoff of outstanding Transportation Infrastructure Bonds (TIB) utilizing federal FHWA and transportation funds.

**American Rescue Plan Act (ARPA) Funds -**

- Provides a total of \$60M (including ARPA SFR, Global Commitment, and Home and Community Based Services funds) for staff retention related payments to shore up critical provider systems for assisted living residences, nursing homes, residential care homes, home health agencies, designated and specialized service agencies, substance use treatment providers, and recovery centers
- Funds \$4.9M for Department of Corrections staff recruitment and retention proposals per the Collective Bargaining Agreement
- Provides \$6M for retention payments for Childcare staff
- Provides \$373,680 Vermont Veterans Home for staff retention per the Collective Bargaining Agreement and PPE supplies
- Adds \$1M for the Adult Day service providers for operating costs through June 30, 2022
- Provides \$12.8M and \$5.5M reallocated CRF funds, totaling \$18.3M to address shortfalls in the Dept. of Labor's Unemployment Insurance program expenses
- Supports the Vermont Food Bank with \$6M for food insecurity
- Provides \$9.7M to Vermont State Colleges for second round of critical occupations scholarships and to pay for over subscription of first round
- Provides \$1M for second round of workforce training at UVM for VT residents
- Provides \$515,746 for three public independent Career Technical Ed Centers
- Adds \$2M for Working Lands Enterprise Initiative
- Adds \$25M to VHCB for housing and increased shelter capacity (also \$30M GF)