REP. MARY S. HOOPER, CHAIR SEN. JANE KITCHEL, VICE CHAIR REP. JANET ANCEL SEN. BECCA BALINT REP. TIM BRIGLIN



TEL: (802) 828-2295 FAX: (802) 828-2483 https://ljfo.vermont.gov/

SEN. ANN CUMMINGS REP. PETER J. FAGAN, CLERK REP. EMILIE KORNHEISER SEN. RICHARD SEARS, JR. SEN. RICHARD WESTMAN

STATE OF VERMONT GENERAL ASSEMBLY LEGISLATIVE JOINT FISCAL COMMITTEE

Thursday, February 11, 2021

Minutes

Videoconference

Members present: Representatives Ancel, Briglin, Fagan, Hooper, and Kornheiser, and Senators Balint, Cummings, Kitchel, Sears, and Westman.

Other attendees: Joint Fiscal Office and Administration staff, and various viewers on live stream.

The Chair called the meeting to order at 12:00 p.m. and requested the Administration present follow-up information from the previous meeting on Grant JFO#3034.

<u>Grants – 1. JFO#3034—\$200,000,000</u> to the VT Agency of Administration from the U.S. Department of the Treasury, Emergency Rental Assistance Program. The funds will be used to assist eligible households that have difficulty making timely payments of rent and utilities due to the COVID-19 pandemic. Included in the funding are five (5) limited service positions to administer this grant program.

Josh Hanford, Commissioner, Department of Housing and Community Affairs, provided follow-up information from the Public Service Department (PSD) <u>eligible arrearage calculations</u> for the grant; and the Vermont State Housing Authority's (VSHA) <u>authority program projections</u> and <u>budget</u> regarding the grant. The Commissioner explained that the PSD numbers had decreased to \$12.7 million. The Administration advised that the funds not needed by PSD for the utility assistance program could be put back into the reserve to expended later. The reduction in the amount of funds needed was due to funds being available in the Low-Income Home Energy Assistance Program (LIHEAP) to some families to cover heating costs. The Commissioner reiterated the need to fully fund the renter's assistance program plan within the grant and reviewed with the Committee on February 9, 2021.

Senator Kitchel offered that in comparing the earlier renter's assistance program funded by CARES Act Coronavirus Relief Funds (CRF) to the currently proposed program, the previous program did not have an income test for applicants, whereas this new program did include that test. She proposed that the policy in the earlier program that ensured rental assistance could not be directed to housing that had code violations be applied in the new program as well. The Senator proposed to include language to prevent landlords from increasing rents egregiously or attempting to gouge the State with higher rents due to the available federal funding.

Commissioner Hanford agreed with the Senator and explained that the earlier program had a cap on the amount of assistance available to landlords, but since then many renters' income

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has changed due to the pandemic, and the cap would not cover enough of the actual costs of applicants. The best way to address this new dynamic was to pay the full amount of rents and stop any rent payments to landlords who were egregiously increasing rent during the assistance period. He added that the self-certification for applying for funds by landlords would be built into the application process and would be reviewed every three months. Renters will be included in the application process and will be asked to verify rent amounts. Included was a caveat that if one of the parties refused to participate in the application process, the party applying would still receive the funds for rent. In responding to Representative Ancel's question of February 9 and again in this meeting, Commissioner Hanford explained that the funding was paid to the landlord and considered income to that landlord. The tenant would not be eligible for a renter's rebate (credit) in excess of what the tenant had paid to the landlord for rent. Responding to a question on mobile home parks and eligibility for grant funding, the Commissioner explained that tenants who rented their mobile homes would be covered under the federal guidelines while people who owned their mobile home and paid just the lot rents were not covered; the Administration was working to get clearer guidance on whether those people would be eligible under another portion of the grant.

The Chair reviewed all the components of the proposed grant plan with the revised amount to PSD and asked for questions or concerns from the Committee.

Senator Kitchel <u>moved to approve Grant JFO#3034 with a distribution plan for the funds</u>, and Senator Westman seconded the motion. The Committee approved the grant with a 10–0 roll call vote.

<u>2. Grant JFO #3035—\$550,749</u> to the VT Agency of Human Services from the Center for Disease Control and Prevention to enhance and coordinate healthy aging efforts within the 'Healthy Brain Initiative' framework. Funds will be used to develop systemic public health approaches to improve the public health approach to Alzheimer's and related dementias. Two (2) limited service positions: One (1) Public Health Program Administrator and one (1) Public Health Analyst II to administer the program.

Paul Daley, Chief Financial Officer, Department of Health, reviewed the grant with the Committee. The grant was for a 3-year period at \$200,000 per year, except the first year had a partial-year start-up amount. This grant was not related to the pandemic.

Senator Kitchel moved acceptance of the grant, and Representative Ancel seconded the motion. The Committee approved the grant with a 10–0 roll call vote.

The Committee adjourned at 12:27 p.m.

Respectfully Submitted,

Theresa Utton-Jerman, Senior Staff Associate Legislative Joint Fiscal Office Link to recording: <u>https://www.youtube.com/watch?v=XPeb8FH_2eo</u>

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