



STATE OF VERMONT
GENERAL ASSEMBLY
LEGISLATIVE JOINT FISCAL COMMITTEE

Agenda

Wednesday, September 27, 2023
Room 11 and Zoom
[Meeting available by LIVE Stream](#)

Updated on 10/6/2023 8:16 AM

- 9:00 a.m. Call to Order and approve minutes from July 31, 2023 [**Approved**]
- 9:05 a.m. A. Administration's Fiscal Updates
Adam Greshin, Commissioner, Department of Finance and Management
Hardy Merrill, Deputy Commissioner, Department of Finance and Management
1. General Fund and Transportation Fund Balance Reserves [Report](#)
 2. 27/53 Reserve [Report](#)
 3. FY 2025 Budget [Instructions](#) and Submission Guidelines, and Fiscal Challenges ([Technical Supplement](#))
 4. ARPA-Coronavirus State Fiscal Recovery Fund Appropriation Status ([Report](#))
- 9:20 a.m. B. Housing Update
1. Progress on Transitioning from the Pandemic-era GA Emergency Housing Program [[Cite: Sec. 6\(b\) of Act 81 of 2023](#)] ([August Report](#)) ([September Report](#))
Miranda Gray, Deputy Commissioner, Department for Children and Families
Chris Winters, Commissioner, Department for Children and Families
 2. Status of Initiatives to make additional housing units available, expand emergency shelter [[Cite: Sec 9 of Act 81 of 2023](#)]
Alex Farrell, Deputy Commissioner, Department of Housing & Community Development
 3. Update on Progress of Vermont Council on Housing and Homelessness [[Cite: EO No. 01-23](#)]

Chris Winters, Commissioner, Department for Children and Families

Alex Farrell, Deputy Commissioner, Department of Housing & Community Development

4. Status of Initiatives to make additional housing units available, expand emergency shelter [Cite: Sec. 6(c) of Act 81 of 2023] ([August Report](#)) ([September Report](#))

Gus Seelig, Executive Director, Vermont Housing & Conservation Board

10:30 a.m.

C. Update on Fiscal Issues Related to July 2023 Storms

1. Status of Response and Recovery and FEMA Award

Douglas Farnham, Chief Recovery Officer

2. Business Emergency Gap Assistance Program [[EBoard Minutes](#)]

Lindsay Kurrle, Secretary, Agency of Commerce and Community Development

3. Emergency Financial Assistance Program for Flood-Impacted Vermonters ([Memo](#))

June Tierney, Commissioner, Department of Public Service

11:15 a.m.

D. Workforce Needs – Designated and Specialized Service Agencies [Cite Sec. B1101 (d) (4) of Act 78 of 2023] ([Proposal](#)) ([Presentation](#)) [[Approved](#)]

Cheryle Wilcox, Mental Health Collaborations Director, Department of Mental Health

11:30 a.m.

E. Child Care Development Block Grant – Reallocation Proposal ([Memo](#)) [[Approved](#)]

Janet McLaughlin, Deputy Commissioner, Child Development Division, Department for Children and Families

11:40 a.m.

F. Grants [Cite: 32 V.S.A. § 5]

1. FEMA [[Approved](#)]

11:55 a.m.

G. Fiscal Officer's [Report](#)

Catherine Benham, Chief Fiscal Officer, Joint Fiscal Office

12:00 p.m.

Adjourn (Next Meeting: November 7, 2023)

Statutory References to Agenda Items

Emergency Housing Transition; Agency of Human Services; Joint Fiscal Committee Oversight; Reports

[Cite: Sec. 6\(b\) of Act 81 of 2023](#)

(b) On or before the last day of each month from July 2023 through March 2024, the Agency of Human Services, or other relevant agency or department, shall report to the House Committee on Human Services, the Senate Committee on Health and Welfare, and the Joint Fiscal Committee on its progress in assisting households housed in hotels and motels with transitioning from the pandemic-era General Assistance Emergency Housing Program to alternative housing placements and on the creation of new, alternative housing solutions. Each update shall include:

[Cite: Sec. 6\(c\) of Act 81 of 2023](#)

(c) On or before the last day of each month from July 2023 through March 2024, the Vermont Housing and Conservation Board shall report to the House Committees on Human Services and on General and Housing; the Senate Committees on Health and Welfare and on Economic Development, Housing and General Affairs; and the Joint Fiscal Committee on:

(1) the status of the Board's initiatives to make additional housing units available and how those initiatives support the Agency of Human Services' efforts to assist households with transitioning out of the pandemic-era General Assistance Emergency Housing Program; and

(2) the status of the Board's efforts to expand emergency shelter capacity, including the number of new beds available since the previous report, the number of additional beds planned, and when the additional planned beds are likely to become available.

Affordable Housing Development; Fiscal Year 2024 Funding

[Cite: Sec. 9 of Act 81 of 2023](#)

(a) Of the \$40,000,000.00 appropriated to the Vermont Housing and Conservation Board (VHCB) in the fiscal year 2024 budget act to provide support and enhance capacity for the production and preservation of affordable mixed-income rental housing and homeownership units:

(1) \$10,000,000.00 shall be used to provide support and enhance the capacity, availability, and utilization of manufactured homes in cooperatively owned, nonprofit, and privately owned manufactured home parks with vacant and available lots. VHCB shall consult with the Department of Housing and Community Development to ensure that new investments prioritize individuals and families exiting from hotels and motels in accordance with this act.

(2) VHCB shall grant \$4,000,000.00 to the Vermont State Housing Authority for the Manufactured Home Improvement and Repair Program to prevent vulnerable mobile

home park residents from becoming homeless.

(3) Notwithstanding 32 V.S.A. § 5(b), VHCB shall grant \$5,000,000.00 to the Department of Housing and Community Development to support the Vermont Housing Improvement Program.

(b) For fiscal year 2024, the VHCB shall increase its “Homeless Unit” set aside for housing projects seeking VHCB funding from 15 percent to 30 percent, with priority given to households exiting hotels and motels in accordance with this act.

Workforce Needs - DA/SSA

[Cite Sec. B1101 \(d\) \(4\) of Act 78 of 2023](#)

(4) In fiscal year 2024, the amount of \$3,000,000 is appropriated from the General Fund to the Department of Mental Health to address workforce needs at the designated and specialized service agencies. These funds shall not be released until a plan to meet training and retention is mutually agreed upon by the Department of Disabilities, Aging, and Independent Living and the designated and specialized service agencies and approved by the General Assembly or the Joint Fiscal Committee if the legislature is not in session. All or a portion of these funds may be used as matching funds to the Agency of Human Services Global Commitment program to provide State match if any part of the plan is eligible to draw federal funds. It is the intent of the General Assembly to maximize the value of this one-time funding through eligible Global Commitment investment.

Acceptance of Grants

[Cite: 32 V.S.A. § 5](#)

3) Legislative review.

(A) The Governor's approval in subdivision (b)(2) of this section shall be final, except as follows:

(i) When the General Assembly is not in session, within 30 days of receipt of the copy of an approval and related information required under subdivision (b)(2) of this section, a member of the Committee requests such grant, gift, loan, sum of money, or thing of value be placed on the Committee's agenda; or

(ii) When the General Assembly is in session, within 30 days of receipt of the copy of an approval and related information required under subdivision (b)(2) of this section, a member of the Committee requests that such grant, gift, loan, sum of money, or thing of value be held for legislative approval. If a copy of an approval and related information is received when the General Assembly is in session, but before the members of the Joint

Fiscal Committee are appointed, one of the statutorily appointed members of the Committee may request to hold a grant for legislative approval. Legislative approval

under this subdivision may be granted by legislation or resolution.

(B) In the event of a request to hold a grant made pursuant to subdivision (3) of this

subsection (b), the grant shall not be accepted until approved by the Joint Fiscal Committee or the General Assembly.

Reports

ARPA SFR Appropriations Report

Cite: Act 185 of 2022, Sec. G.200

(a) On or before September 15, 2022 and annually thereafter until September 15, 2026, the Commissioner of Finance and Management shall submit a report to the Joint Fiscal Committee on the status of all appropriations made from the Coronavirus State and Local Fiscal Recovery Fund (SLFR) provided to the State from the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (ARPA). The report shall include updates on project eligibility, obligated funds, actual expenditures, and any compliance or reporting issues.

(b) On or before January 15, 2023, the Commissioner of Finance and Management shall provide an update to the September 15, 2022 ARPA report described in subsection (a) of this section to the House and Senate Committees on Appropriations, including recommendations, if any, for reallocation of ARPA SLFR funds in the fiscal year 2023 budget adjustment act.

ARPA SFR Appropriations Report

Cite: Act 78 of 2023, Sec. D.105

(a) The Joint Fiscal Committee shall ensure the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds report received in September 2023 per 2022 Acts and Resolves No. 185 Sec. G.200(a) is sent to the Chairs and Vice Chairs of the legislative standing committees. At the Committee’s November 2023 meeting, the Committee shall identify any American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery appropriations that are available for reallocation to ensure these funds are utilized within the required time frame.

Act 78

[Report Link](#)

Cite: Sec. E.301.2 2022 Acts and Resolves No. 83, Sec. 72a, as amended by 2022 Acts and Resolves No. 185, Sec. C.105 is further amended to read:

Sec. 72a. MEDICAID HOME- AND COMMUNITY-BASED SERVICES
(HCBS) PLAN

* * *

(f) The Global Commitment Fund appropriated in subsection (e) of this section may be obligated in fiscal year 2023 and fiscal year 2024 for the purposes of bringing HCBS plan spending authority forward into fiscal year 2024 and fiscal year 2025, respectively. The funds appropriated in subsections (b), (c), and (e) of

this section may be transferred on a net-neutral basis in fiscal year 2023 and fiscal year 2024 in the same manner as the Global Commitment appropriations in Sec. E.301 of H.740 of 2022 2022 Acts and Resolves No. 185, Sec. E.301. The Agency shall report to the Joint Fiscal Committee in September 2023 and September 2024, respectively, on transfers of appropriations made and final amounts expended by each department in fiscal year 2023 and fiscal year 2024, respectively, and any obligated funds carried forward to be expended in fiscal year 2024 and fiscal year 2025, respectively.

GLOBAL COMMITMENT FUND; HOSPITAL DIRECTED PAYMENT PROGRAM

Cite: Sec. E.301.3

[Memo Link](#)

The Agency of Human Services is authorized to seek a State Directed Payment model with the Centers for Medicare and Medicaid Services (CMS). This payment model will be for a Hospital Directed Payment (HDP) program. Upon approval from CMS, the Agency of Human Services' Department of Vermont Health Access, the University of Vermont, and the University of Vermont Medical Center may enter into a mutual agreement on the implementation of the HDP program.

If CMS approves a Vermont HDP program within the State's Global Commitment to Health Section 1115 Demonstration Waiver in fiscal year 2024 while the General Assembly is not in session, then, pursuant to 32 V.S.A. § 511 and notwithstanding any other provision of law to the contrary, the Department of Finance and Management is authorized to approve the Agency of Human Services' allocation and expenditure of excess receipts for Global Commitment Fund spending up to the amount approved by CMS for the Vermont HDP program.

In State fiscal year 2024, the Agency of Human Services is authorized, to the extent permitted under federal law, to reasonably manage the timing of federal fiscal year 2024 Disproportionate Share Hospital (DSH) payments to hospitals due to the impact the Vermont HDP program payments received in State fiscal year 2024 may have on hospitals' eligibility for DSH payments.

The Agency of Human Services shall report on the status of the Vermont HDP program, the expenditure of excess receipts, and the status of the program's potential impacts on DSH payments at the September and November 2023 meetings of the Joint Fiscal Committee.

CLEAN WATER INVESTMENT REPORT

Cite: 10 V.S.A. § 1389a as amended by Sec. 3 of Act 170 of 2022

[Report Link](#)

(a) Beginning on January 15, 2017, and annually thereafter, the Secretary of Administration shall publish a Clean Water Investment Report. The Report shall summarize all investments, including their cost-effectiveness, made by the Clean Water Fund Board and other State agencies for clean water restoration over the prior calendar year. The Report shall include expenditures from the Clean Water Fund, the General Fund, the Transportation Fund, and any other State expenditures for clean

water restoration, regardless of funding source.

(b) The Report shall include:

(5) A summary of available federal funding related to or for water quality improvement efforts in the State.

[repealed]

(6) Beginning on January 2023, a summary of the administration of the grant programs established under sections 925–928 of this title, including whether these grant programs are adequately funding implementation of the Clean Water Initiative and whether the funding limits for the Water Quality Enhancement Grants under subdivision 1389(e)(1)(D) of this title should be amended to improve State implementation of the Clean Water Initiative.

(d)(1) The Secretary of Administration shall develop and use a results-based accountability process in publishing the annual report required by subsection (a) of this section.

(3) On or before September 1 of each year, the Secretary of Administration shall submit to the Joint Fiscal Committee an interim report regarding the information required under subdivision (b)(5) of this section relating to available federal funding a summary of available federal funding related to or for water quality efforts in the State.

GREEN MOUNTAIN CARE BOARD BILL-BACK REPORT

[Cite: 18 V.S.A. § 9374](#)

[Report Link](#)

(h)(1) The Board may assess and collect from each regulated entity the actual costs incurred by the Board, including staff time and contracts for professional services, in carrying out its regulatory duties for health insurance rate review under 8 V.S.A. § 4062; hospital budget review under chapter 221, subchapter 7 of this title; and accountable care organization certification and budget review under section 9382 of this title.

(5)(A) Annually on or before September 15, the Board and the Department of Financial Regulation shall report to the House and Senate Committees on Appropriations the total amount of all expenses eligible for allocation pursuant to this subsection (h) during the preceding State fiscal year and the total amount actually billed back to the regulated entities during the same period. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

(B) The Board and the Department shall also present the information required by this subsection (h) to the Joint Fiscal Committee annually at its September meeting.

VEGI ANNUAL REPORTING

[Cite: 32 V.S.A. § 3340](#)

[Report Link](#)

(a) On or before September 1 of each year, the Vermont Economic Progress Council and the Department of Taxes shall submit a joint report on the incentives authorized in this subchapter to the House Committees on Ways and Means, on Commerce and Economic Development, and on Appropriations, to the Senate Committees on Finance, on Economic Development, Housing and General Affairs, and on Appropriations, and to the Joint Fiscal Committee.

(b) The Council and the Department shall include in the joint report:

HEALTH IT-FUND

[Cite: 32 V.S.A. § 10301](#)

[Report Link](#)

(a) The Vermont Health IT-Fund is established in the State Treasury as a special fund to be a source of funding for Medical Health Care Information Technology Programs and initiatives such as those outlined in the Vermont Health Information Technology Plan administered by the Secretary of Administration or designee. One hundred percent of the Fund shall be disbursed for the advancement of health information technology adoption and utilization in Vermont as appropriated by the General Assembly, less any disbursements relating to the administration of the Fund. The Fund shall be used for loans and grants to health care providers pursuant to section 10302 of this chapter and for the development of programs and initiatives sponsored by VITL and State entities designed to promote and improve health care information technology, including:

(g) The Secretary of Administration or his or her designee shall submit an annual report on the receipts, expenditures, and balances in the Health IT-Fund to the Joint Fiscal Committee at its September meeting and to the Green Mountain Care Board. The report shall include information on the results of an annual independent study of the effectiveness of programs and initiatives funded through the Health IT-Fund, with reference to a baseline, benchmarks, and other measures for monitoring progress and including data on return on investments made.

GENERAL ASSISTANCE PROGRAM REPORT

[Cite: 33 V.S.A. § 2115](#)

[Report Link](#)

On or before of September 1 of each year, the Commissioner for Children and Families shall submit a written report to the Joint Fiscal Committee; the House Committees on Appropriations, on General, Housing and Military Affairs and on Human Services and the Senate Committees on Appropriations and on Health and Welfare. The report shall contain the following:

- (1) an evaluation of the General Assistance program during the previous fiscal year;
- (2) any recommendations for changes to the program; and
- (3) a plan for continued implementation of the program.
- (4) statewide statistics using deidentified data related to the use of emergency housing

vouchers during the preceding State fiscal year, including demographic information, client data, shelter and motel usage rates, clients' primary stated cause of homelessness, average lengths of stay in emergency housing by demographic group and by type of housing; and

(5) other information the Commissioner deems appropriate.

CALCULATING AND ALLOCATING SAVINGS – CHOICES FOR CARE

Cite: 33 V.S.A. § 7602

[Report Link](#)

(a)(1) The Department shall calculate savings and investments in Choices for Care and report the amount of savings to the Joint Fiscal Committee, the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare on or before September 15 of each year. The Department shall not reduce the base funding needed in a subsequent fiscal year prior to calculating savings for the current fiscal year.

Update on planned Congressionally Directed Spending Expenditures to Support Vermont's Transition to a Statewide Public Safety Communications System

Cite: Sec. B.1100 (4) of Act 78 of 2023

[Report Link](#)

(4) It is the intent of the General Assembly that the Department of Public Safety seek to draw and deploy the \$9,000,000 in Congressionally Directed Spending to support Vermont's transition to a modernized, regional communications network in a manner that coordinates with and advances the goals of a statewide public safety communications system. The Commissioner of Public Safety shall consult with the Public Safety Communications Task Force as the federal parameters for expending the funds become available and as the Commissioner develops a plan to expend such funds. In addition, the Commissioner shall update the Joint Fiscal Committee on planned expenditures.