



# VERMONT LEGISLATIVE Joint Fiscal Office

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## Fiscal Note

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### **S.232 – An act relating to public libraries and the Department of Libraries**

**As recommended by the Senate Committee on Education, Draft 3.2<sup>1</sup>**

#### Bill Summary

This bill as recommended would explicitly add libraries to list of the eligible receipts for funding from the Universal Afterschool and Summer Special Fund and allocate 5% of cannabis sales tax revenue to support afterschool and summer programming at libraries. It would also explicitly enable libraries to receive early education grants from the Agency of Education (AOE).

**5% of cannabis sales tax revenue would be allocated to afterschool programming at libraries**

The bill would repeal the Audio-Visual Revolving Fund established in 22 V.S.A. § 608.

#### Fiscal Impact

The bill changes the allocations of cannabis sales tax revenue deposited in the Universal Afterschool and Summer Special Fund. Under current law, the full amount of sales tax revenue is used by AOE to “support a mixed delivery system for afterschool and summer programming.” Eligible recipients of funding can be public, private, or nonprofit organizations, including libraries.

As recommended, 95% of funding would support this use, and 5% would be for use by the Department of Libraries to support afterschool and summer programming at libraries beginning in fiscal year 2027.

Table 1: Cannabis Sales Tax Revenue through Fiscal Year 2031 (\$ millions)<sup>2</sup>

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Estimated Sales Tax Revenue	\$10.1	\$10.4	\$10.8	\$11.1	\$11.3
95%	\$9.6	\$9.9	\$10.2	\$10.5	\$10.7
5%	\$0.5	\$0.5	\$0.5	\$0.6	\$0.6

<sup>1</sup> The Joint Fiscal Office (JFO) is a nonpartisan legislative office dedicated to producing unbiased fiscal analysis – this fiscal note is meant to provide information for legislative consideration, not to provide policy recommendations.

<sup>2</sup> <https://ljfo.vermont.gov/assets/Subjects/Consensus-Revenue-Forecasts-Legislative-Economic-Outlook/2026-January-Economic-Review-and-Revenue-Forecast.pdf>

Although the bill would not change the amount of revenue generated by the cannabis sales tax, it would change the allocation of revenues by dedicating a portion to be used by the Department of Libraries to support afterschool and summer programming. Consequently, less money would be available for current afterschool grants administered by AOE.

Early education grants through 16 V.S.A. § 4041 are voluntary and are limited to a maximum of \$30,000. To the extent AOE makes grants through this Program, adding additional recipients to any pool of funds could increase competition for these resources.

## Background and Details

The following sections have a fiscal impact.

### Section 3: Universal Afterschool and Summer Special Fund

The Universal Afterschool and Summer Special Fund was created by Act 78 of 2024 to manage cannabis sales tax revenues allocated to afterschool programming. The Agency of Education uses these funds for a grant program for programs and afterschool centers.

In fiscal year 2025, the total awarded amount through the grant program was \$2.4 million. Each fiscal year's awardees receive funding for multiple fiscal years – awardees in the program track receive funding for three and a half years. Centers receive funding for five years. Overall, \$10.5 million in funding is obligated through fiscal year 2030.<sup>3</sup>

To date, no libraries have applied for funding through the program.

### Section 8: Repeal of Audio-Visual Revolving Fund

The Audio-Visual Revolving Fund is located within the Department of Libraries and covers the expenses of audio-visual material distribution. Postage or delivery charges assessed by the Department to users of materials from this unit generate revenues for the fund. This fund is no longer relevant as audio-visual material are treated the same as other library materials.

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<sup>i</sup> The full fiscal note history is available on the fiscal tab of the bill page on the General Assembly website and can be pulled up through a bill number search on the JFO page.

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<sup>3</sup> <https://legislature.vermont.gov/assets/Legislative-Reports/edu-act-78-afterschool-report-2025.pdf>