

H. 439 – FY 2022 Budget Bill Highlights - May 21, 2022

Overview: This budget appropriates a total of \$7.35 billion to meet the ongoing costs of operating state government including the programs providing services and benefits to Vermonters, and to make investments in Vermont’s infrastructure and human capital from the federal funds available from the American Rescue Plan Act (ARPA) and other sources.

ARPA State Fiscal Relief Fund FY22 Appropriations: \$599.2 million

Sec. G.100 -FUNDING INTENT – See separate one-page sheet

Sec. G.200 -COMMUNITY ENGAGEMENT

Sec. G. 300 -ECONOMY, WORKFORCE AND COMMUNITIES: \$158.7 million

- ARPA State Fiscal Funds \$109.2 million
- General Funds \$ 49.5 million

Sec. G. 400 -HOUSING INVESTMENTS: \$190.0 million

- ARPA State Fiscal Funds \$ 99.0 million
- General Funds \$ 40.0 million
- APRA Rental Assistance \$ 51.0 million

Sec. G.500 -BROADBAND INVESTMENTS: \$150.0 million

- ARPA State Fiscal Funds \$150.0 million

Sec. G.501 -TECHNOLOGY MODERNIZATION: \$ 66.0 million

- ARPA State Fiscal Funds \$ 52.0 million
- General Funds \$ 14.0 million

Sec. G. 600 -CLIMATE ACTION INVESTMENTS: \$54.5 million

- ARPA State Fiscal Funds \$ 50.0 million
- General Funds \$ 4.5 million

Sec. G.700 -CLEAN WATER INVESTMENTS: \$120.0 million

- ARPA State Fiscal Funds \$115.0 million
- General Funds \$ 5.0 million

Sec. G.800 & 801 -TAX CONFORMITY AND ADMIN: \$ 24.0 million

- ARPA State Fiscal Funds \$ 24.0 million

In Sec. C.111, the budget allows for \$100 million of the FY22 APRA projects to be substituted with General Funds to the extent FY21 surplus funds come in at the end of this year. Once substitutions are applied there will be over \$500.00 million of ARPA funds remaining to be allocated and \$113 million of APRA State Capital funds also remain to be allocated.

KEY BUDGET ELEMENTS

Shores up critical provider systems. The budget funds a 3 percent increase to mental health, developmental disabilities and Choice for Care providers and a \$1.50/day increase to ACCS rates to address increased wage and operating costs.

Adds \$2.7 million GF to increase the Reach Up benefit to the 2019 standard of need and to eliminate the inclusion of any SSI benefit in the calculation of the RU benefit. This is an average benefit increase of \$111/mo. bringing a 3-member household benefit to \$811/\$836 in Chittenden.

Provides base funding to address the court-related workload backlog due to the pandemic and a base increase to Judiciary to reflect revenue loss and the VLRB decision. This is in addition to reopening support provided in Sec. G.300

Funds Child Care Program increases included in H.171.

Includes \$41 million to support the Homeless Transition plan developed by the work group.

Provides the Vermont State College system with funding for the recommended transformation plan in Sec. G. 300 and adds \$5 million GF to the VSC base appropriation.

One-time GF is used to shore up several special funds including Forests and Parks, Act 250, and Fire Safety. Also \$9.5 million GF is sent to the Environmental Contingency Fund, of which \$4.5 million is allocated for PCB testing in schools in addition to \$500,000 GF dedicated to the Vermont Department of Health for the PCB testing in schools.

Adds several special fund reviews triggered by projected structural deficits, this includes criminal justice fees & fines supported programs, the E-911 system and large fee generators in public health, transportation and natural resources.

Retirement Obligations

Fully funds the Actuarially Determined Employer Contribution (ADEC) for State employees' and State teachers' pensions. The ADEC and OPEB funding provided totals \$343 million and of this total \$250 million is from the GF which is 14% of the GF available annually.

Reserves \$150 million GF and \$14 million EF for pension and OPEB once the Pension Task Force completes its work. Provides \$200k for the task force.