

Report of the Committee of Conference

H.439.

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House Bill entitled:

H.439. An act relating to making appropriations for the support of government.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. A.100 SHORT TITLE

(a) This bill may be referred to as the BIG BILL – Fiscal Year 2022

Appropriations Act.

Sec. A.101 PURPOSE

(a) The purpose of this act is to provide appropriations for the operations of State government during fiscal year 2022. It is the express intent of the General Assembly that activities of the various agencies, departments, divisions, boards, and commissions be limited to those that can be supported by funds appropriated in this act or other acts passed prior to June 30, 2021. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2022 so as to meet this condition unless

otherwise directed by specific language in this act or other acts of the General Assembly.

Sec. A.102 APPROPRIATIONS

(a) It is the intent of the General Assembly that this act serves as the primary source and reference for appropriations for fiscal year 2022.

(b) The sums in this act stated are appropriated for the purposes specified in the following sections of this act. When no time is expressly stated during which any of the appropriations are to continue, the appropriations are single year appropriations and only for the purpose indicated and shall be paid from funds shown as the source of funds. If in this act there is an error in either addition or subtraction, the totals shall be adjusted accordingly. Apparent errors in referring to section numbers of statutory titles within this act may be disregarded by the Commissioner of Finance and Management.

(c) Unless codified or otherwise specified, all narrative portions of this act apply only to the fiscal year ending on June 30, 2022.

Sec. A.103 DEFINITIONS

(a) As used in this act:

(1) “Encumbrances” means a portion of an appropriation reserved for the subsequent payment of existing purchase orders or contracts. The Commissioner of Finance and Management shall make final decisions on the appropriateness of encumbrances.

(2) “Grants” means subsidies, aid, or payments to local governments, to community and quasi-public agencies for providing local services, and to persons who are not wards of the State for services or supplies and means cash or other direct assistance, including pension contributions.

(3) “Operating expenses” means property management; repair and maintenance; rental expenses; insurance; postage; travel; energy and utilities; office and other supplies; equipment, including motor vehicles, highway materials, and construction; expenditures for the purchase of land and construction of new buildings and permanent improvements; and similar items.

(4) “Personal services” means wages and salaries, fringe benefits, per diems, contracted third-party services, and similar items.

#### Sec. A.104 RELATIONSHIP TO EXISTING LAWS

(a) Except as specifically provided, this act shall not be construed in any way to negate or impair the full force and effect of existing laws.

#### Sec. A.105 OFFSETTING APPROPRIATIONS

(a) In the absence of specific provisions to the contrary in this act, when total appropriations are offset by estimated receipts, the State appropriations shall control, notwithstanding receipts being greater or less than anticipated.

#### Sec. A.106 FEDERAL FUNDS

(a) In fiscal year 2022, the Governor, with the approval of the General Assembly or the Joint Fiscal Committee if the General Assembly is not in

session, may accept federal funds available to the State of Vermont, including block grants in lieu of or in addition to funds in this act designated as federal. The Governor, with the approval of the General Assembly or the Joint Fiscal Committee if the General Assembly is not in session, may allocate all or any portion of such federal funds for any purpose consistent with the purposes for which the basic appropriations in this act have been made.

(b) If, during fiscal year 2022, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2021 session of the Vermont General Assembly are converted into block grants or are abolished under their current title in federal law and reestablished under a new title in federal law, the Governor may continue to accept such federal funds for any purpose consistent with the purposes for which the federal funds were appropriated. The Governor may spend such funds for such purposes for not more than 45 days prior to legislative or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor's request for approval.

#### Sec. A.107 NEW POSITIONS

(a) Notwithstanding any other provision of law, the total number of authorized State positions, both classified and exempt, excluding temporary

positions as defined in 3 V.S.A. § 311(11), shall not be increased during fiscal year 2022 except for new positions authorized by the 2021 session. Limited service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction.

Sec. A.108 LEGEND

(a) The bill is organized by functions of government. The sections between B.100 and B.9999 contain appropriations of funds for the upcoming budget year. The sections between E.100 and E.9999 contain language that relates to specific appropriations or government functions, or both. The function areas by section numbers are as follows:

<u>B.100–B.199 and E.100–E.199</u>	<u>General Government</u>
<u>B.200–B.299 and E.200–E.299</u>	<u>Protection to Persons and Property</u>
<u>B.300–B.399 and E.300–E.399</u>	<u>Human Services</u>
<u>B.400–B.499 and E.400–E.499</u>	<u>Labor</u>
<u>B.500–B.599 and E.500–E.599</u>	<u>General Education</u>
<u>B.600–B.699 and E.600–E.699</u>	<u>Higher Education</u>
<u>B.700–B.799 and E.700–E.799</u>	<u>Natural Resources</u>
<u>B.800–B.899 and E.800–E.899</u>	<u>Commerce and Community</u>
	<u>Development</u>
<u>B.900–B.999 and E.900–E.999</u>	<u>Transportation</u>
<u>B.1000–B.1099 and E.1000–E.1099</u>	<u>Debt Service</u>

B.1100–B.1199 and E.1100–E.1199      One-time and other appropriation  
actions

(b) The C sections contain any amendments to the current fiscal year, the D sections contain fund transfers and reserve allocations for the upcoming budget year, the F sections contain Pay Act provisions, the G sections contain provisions relating to the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (ARPA) - Coronavirus State Fiscal Recovery Fund expenditures and other related funding and the H sections contain provisions relating to community and economic development and workforce revitalization.

**NUMBERS SECTION GOES HERE**

Sec. B.1100 [Deleted.]

Sec. B.1101 [Deleted.]

Sec. B.1102 [Deleted.]

Sec. B.1103 FISCAL YEAR 2022 ONE-TIME DOWNTOWN

TRANSPORTATION AND RELATED CAPITAL

IMPROVEMENT FUND APPROPRIATIONS

(a)(1) In fiscal year 2022, the sum of \$3,500,000 is appropriated from the Downtown Transportation and Related Capital Improvement Fund established by 24 V.S.A. § 2796 to the Department of Housing and Community Development to design, engineer, and construct eligible projects.

(2) Notwithstanding any other provisions of law, and for the purposes of implementing this one-time funding, the Department of Housing and Community Development is authorized to extend eligibility for the funding allocated in this section to municipalities as follows:

(A) Village centers designated by the Downtown Development Board pursuant to 24 V.S.A. chapter 76a, that have participated in the Better Connections Program administered by the Vermont Agency of Transportation and the Department of Housing and Community Development.

(B) Village centers designated by the Downtown Development Board pursuant to 24 V.S.A. chapter 76a, within Chittenden County that have completed a comprehensive urban/community area planning process with public input, analogous to the Better Connections Program, in accordance with the program guidelines to be established by the Department.

(3) Municipalities in this section may include engineering and design costs in their budget proposals.

(b) This section shall remain in effect until such time as the funds appropriated in this section and in Sec. G.300(b)(8) of this act are fully expended.

Sec. B.1104 FISCAL YEAR 2022 ONE-TIME TRANSPORTATION

#### FUND APPROPRIATIONS

(a) Funds are appropriated from the Transportation Fund as follows:

(1) To the Agency of Transportation:

(A) \$6,925,000 for vehicle incentive and emission repair programs and electric vehicle supply equipment grants in fiscal year 2022;

(B) \$3,000,000 to be distributed to municipalities through town highway aid in fiscal year 2022 in the same apportionments and for the same purposes prescribed under 19 V.S.A. § 306(a)(3), which shall not be included in any subsequent calculations for the annual appropriation for aid to town highways pursuant to 19 V.S.A. § 306(a); and

(C) \$400,000 to assist with the relocation of the New Haven Train Depot, as need is determined by the Agency of Transportation, in fiscal year 2022.

Sec. B.1105 [Deleted.]

Sec. B.1106 FISCAL YEAR 2022 ONE-TIME GENERAL FUND

#### APPROPRIATIONS

(a) In fiscal year 2022, funds are appropriated from the General Fund for new and ongoing initiatives as follows:

(1) \$38,430,000 to the Agency of Administration for the following:

(A) \$11,580,000 for distribution to departments to fund the fiscal year 2022 53rd week of Medicaid.

(B) \$12,450,000 for distribution to departments to fund the fiscal year 2022 27th payroll pay period.



(C) \$14,400,000 for distribution to departments to fund the annual increase in the Vermont State Employee Retirement System (VSERS) Actuarially Determined Employer Contribution (ADEC).

(2) \$1,000,000 to the Department of Corrections for the purchase of body cameras.

(3) \$500,000 to the Vermont Department of Health to support polychlorinated biphenyls (PCB) testing in schools.

(4) \$32,500 to the Green Mountain Care Board for its share of the costs associated with rate reviews for the unmerged individual and small group market plans.

(5) \$63,121 to the Council on the Arts for matching federal funds available in the American Rescue Plan Act of 2021.

(6) \$200,000 to the Legislature to fund independent benefits experts, legal consulting, and actuarial assistance as necessary for the Pension Benefits, Design, and Funding Task Force.

(7) \$200,000 to the Department for Children and Families for the purpose of enabling Building Bright Futures to contract with an independent consulting entity for a childcare and early childhood education systems analysis study required by legislation enacted during the 2021 session.

(8) \$125,000 to the Joint Fiscal Office to contract with a consultant to assist the Task Force on Affordable, Accessible Health Care established in Sec. E.126b of this act.

(9) \$25,000 to the Vermont Symphony Orchestra to offset revenues lost during the pandemic.

(10) \$180,000 to the Agency of Administration Office of Racial Equity for activities related to health disparities and health equity.

(11) \$200,000 to the Department of Human Resources for racial equity training support.

(12) \$126,000 to the Agency of Human Services Secretary's Office to maintain the 211-call center.

(13) \$120,000 to the Department of Health for grants of \$40,000 to be made to each of the three AIDS service organizations to replace grant revenue diverted during the pandemic.

(14) \$25,000 to the Department for Children and Families for a grant to the Vermont Donor Milk Center for statewide activities.

(15) \$40,000 to the Vermont Center for Crime Victim Services to provide a grant for the Vermont Forensic Nursing Program. The funds shall be used to recruit, train, and credential nurses to provide forensic medical care for sexual assault patients within primary care, reproductive health, or campus

health care settings in order to expand medical care for sexual assault patients beyond hospital emergency departments.

(16) \$300,000 to the Department of Health to make grants of \$25,000 to cover the financial impacts of the ongoing COVID-19 pandemic at each of the recovery centers statewide.

(17) \$3,700,000 to the Department for Children and Families for one-time grants to parent child centers for capital and program improvements.

(18) \$1,000,000 to the Department for Children and Families for a grant to the Vermont Foodbank to purchase food.

(19) \$500,000 to the Agency of Education to make grants to local education agencies for the purchase of locally produced foods.

(20) \$1,400,000 to the Vermont Center for Crime Victim Services, of which:

(A) \$200,000 shall be used for grants to the Vermont Network Against Domestic and Sexual Violence for pandemic recovery response; and

(B) \$1,200,000 shall be used in a manner consistent with the Victims Compensation Fund (21145).

\* \* \* Fiscal Year 2021 Adjustments, Appropriations and Amendments \* \* \*

Sec. C.100 FISCAL YEAR 2021 ONE-TIME GENERAL FUND

APPROPRIATIONS

(a) In fiscal year 2021, funds are appropriated from the General Fund as follows:

(1) To the Agency of Human Services, Global Commitment Program: \$2,000,000 for the State match for the 2020 Acts and Resolves No. 155 Nurse Scholarship Program and University of Vermont College of Medicine, Medical Student Incentive Scholarship Program, as amended in Sec. E. 311.3 of this act. Of these general funds, \$1,000,000 is for expenditure in fiscal year 2022, and \$1,000,000 is for expenditure in fiscal year 2023.

(2) To the Commission on Women: \$8,500 for information technology support.

(3) To the Agency of Commerce and Community Development: \$25,000 for the administration of the Vermont 250th anniversary celebration.

(4) To the Vermont Housing and Conservation Board: \$50,000 for the Farm and Forest Viability Program to provide business and technical assistance to farm, food, and forest businesses, including applying for and complying with State and federal economic recovery grants.

(5) To the Department of Forests, Parks and Recreation: \$1,850,000 to be granted to the Vermont Youth Conservation Corps to establish the Vermont Serve, Learn, and Earn Program with other community partners to create meaningful paid service and learning opportunities for young adults beginning

in the summer and fall of 2021. These funds shall carry forward into fiscal year 2022.

(6) To the Vermont Center for Crime Victims Services: \$345,000 to be granted to the Vermont Network Against Domestic and Sexual Violence for program deficit.

(7) To the Agency of Administration: \$500,000 to address the needs of the FiberConnect libraries project.

8) To the Auditor of Accounts: \$100,000 to contract for an evaluation of the State's unemployment insurance system as specified in legislation enacted in the 2021 session.

(9) To the Judiciary: \$800,000 to plan and design upgrades to county court house HVAC systems. In accordance with the fiscal year 2022 capital budget act, on or before December 15, 2021 the Court Administrator shall submit a list of priority projects for the use of federal funds from the Coronavirus Capital Projects Fund.

Sec. C.101 PENSION AND OTHER POST EMPLOYMENT BENEFIT

OBLIGATIONS; LONG-TERM PLAN

(a) In fiscal year 2021, the amount of \$150,000,000 in General Fund monies and \$14,000,000 in Education Fund monies are hereby reserved in their respective funds to be part of pension funding initiatives and prefunding of other postemployment benefits (OPEB).

(b) On or before June 30, 2022, the General Assembly and the Administration, in collaboration with the Treasurer and interested parties, shall develop a long-term plan to address pension and OPEB liabilities. The funds reserved in subsection (a) of this section shall be made available for appropriation to accompany the reforms that are part of this long-term legislative initiative to make Vermont pension and OPEB plans more sustainable.

C.101.1 AGENCY OF HUMAN SERVICES; ALL PAYER

ACCOUNTABLE CARE ORGANIZATION MODEL;

DELIVERY SYSTEM REFORM; HEALTH INFORMATION

TECHNOLOGY

(a) The Agency of Human Services is authorized to carry forward to fiscal year 2022 the sum of \$1,588,840 in general funds in their Global Commitment appropriation to be matched by \$2,895,382 in the Department of Vermont Health Access's (DVHA) Global Commitment Fund and \$1,004,618 in DVHA federal funds in fiscal year 2022 for the following purposes related to implementation of the All-Payer Accountable Care Organization (ACO)

Model:

(1) health information technology projects, including:

(A) a hypertension and diabetes identification and management tool to support clinical decision making; and

(B) just-in-time clinical data reporting for quality improvement to support clinical decision making; and

(2) delivery system reform projects focused on implementation of the care model, including expanding trainings and performance improvement activities, and continuation of the Longitudinal Care Home Health Program and the Developmental Understanding and Legal Collaboration for Everyone (DULCE) Program.

Sec. C.102 FISCAL YEAR 2021 GLOBAL COMMITMENT PROGRAM

GENERAL FUND REVERSION

(a) In fiscal year 2021, the amount of \$42,516,329 shall be reverted to the General Fund from the general funds appropriated in Sec. B.301 of 2020 Acts and Resolves No. 154, as amended by 2021 Acts and Resolves No. 3.

(b) The Secretary of Human Services shall report to the Joint Fiscal Committee in July or September 2021 on the status and impact of the reversion required by subsection (a) of this section and any carryforward balance of unobligated General Fund appropriations from fiscal year 2021 to fiscal year 2022. To the extent possible, this report shall also provide updates related to the reversion specified in Sec. D.104 of this act for fiscal year 2022.

Sec. C.103 REVERSION FROM THE NATIONAL GUARD TUITION

BENEFIT PROGRAM

(a) In fiscal year 2021, the amount of \$400,000 shall revert to the General Fund from the Military Administration appropriation for the National Guard Tuition Benefit Program.

Sec. C.104 2020 Acts and Resolves No. 154, Sec. E.215 is amended to read:

Sec. E.215 Military – Administration

(a) The amount of ~~\$953,906~~\$553,906 shall be disbursed to the Vermont Student Assistance Corporation for the National Guard educational assistance program established in 16 V.S.A. § 2856 and the National Guard Tuition Benefit Program established in 16 V.S.A. § 2857.

(b) Subsection (a) of this section supersedes the disbursement referenced in 2020 Acts and Resolves No. 120, Sec. A.23.

Sec. C.105 2020 Acts and Resolves No. 154, Sec. B.505 is amended to read:

Sec. B.505 Education - adjusted education payment

	<u>FY 2021</u>	
	<u>As Passed</u>	<u>Change</u>
Grants	<u>1,489,500,000</u>	<u>1,480,600,000</u>
Total	<u>1,489,500,000</u>	<u>1,480,600,000</u>
Source of funds		
Education fund	<u>1,489,500,000</u>	<u>1,480,600,000</u>
Total	<u>1,489,500,000</u>	<u>1,480,600,000</u>

Sec. C.106 [Deleted.]



Sec. C.107 UTILITY RATEPAYER ARREARAGES; DEPARTMENT OF  
PUBLIC SERVICE

(a) The sum of \$15,000,000 from the Coronavirus Relief Fund is appropriated to the Department of Public Service in fiscal year 2021 for the purpose of establishing a program to simultaneously minimize financial hardship caused by the COVID-19 public health emergency and mitigate utility rate increases ultimately shared by all utility customers. As used in this section, “utility” means a company subject to the Public Utility Commission’s moratorium on utility disconnections related to COVID-19 or a public water supply or wastewater treatment facility permitted by the Agency of Natural Resources and subject to the Temporary Moratorium on Disconnections from Public Drinking Water and Wastewater Systems in 2020 Acts and Resolves No. 92, Sec. 9.

(b) The Commissioner of Public Service shall set the process, limitations, and means to distribute funds for debt relief for the accounts of utility customers not otherwise eligible or able to access utility assistance or those who, though eligible, are not made whole for such debt through the American Rescue Plan Act of 2021 or the Consolidated Appropriations Act, 2021, and shall coordinate funding under this section as needed with State agencies charged with distributing such funding. In designing the program, the

Commissioner shall establish standards and procedures to prioritize the neediest utility customers for financial assistance under the program.

(c) In administering the program, the Commissioner may coordinate with the Public Utility Commission, enter into cooperative agreements with utilities to apply funding directly to customer accounts, and contract with any third-party administrator as needed. The Department's administrative costs associated with the program shall be paid from the amount appropriated under subsection (a) of this section.

(d) Customer information submitted pursuant to this program shall be exempt from disclosure under the Vermont Public Records Act; such data may be disclosed only on an anonymized and aggregated basis.

(e) To the extent consistent with guidance and law, any excess funding under the program not obligated for the purposes set forth in this section by November 1, 2021 shall be reallocated to energy and fuel assistance programs administered by the Department for Children and Families.

Sec. C.108 LEGISLATIVE PREPARATION FOR 2022 SESSION

(a) The sum of \$2,500,000 from the Coronavirus Relief Fund is appropriated to the Legislature for costs incurred due to the response to the COVID-19 pandemic and to fund preparations for the 2022 legislative session consistent with Joint Legislative Management Committee recommendations. Funds may be transferred to appropriate units within the General Assembly as

necessary to reimburse eligible expenditures. Any transfers shall be reviewed and approved through traditional transfer approval processes by the Secretary of Administration and shall be reported by the Joint Fiscal Office to the Joint Legislative Management Committee and the Commissioner of Finance and Management.

Sec. C.109 2020 Acts and Resolves No. 136, Sec. 7, as amended by 2020 Acts and Resolves No. 154, Sec. B.1121 and 2021 Acts and Resolves No. 3, Sec. 50, is further amended to read:

Sec. 7. AGENCY OF HUMAN SERVICES; HEALTH CARE

PROVIDER STABILIZATION GRANT PROGRAM

\* \* \*

(d) Specific allocations. Notwithstanding any provisions of this section to the contrary, of the funds appropriated in subsection (a) of this section, the Agency of Human Services shall make the following allocations for the following purposes:

\* \* \*

(3) Up to \$3,000,000.00 for COVID-19-related expenses or revenue losses incurred by designated and specialized service agencies through ~~December 30, 2020~~ June 30, 2021.

\* \* \*

Sec. C.110 REPEAL; FISCAL YEAR 2021 YEAR-END CLOSEOUT

TRANSFERS

(a) 2020 Acts and Resolves No. 154, Sec. B.1123.1 as amended by 2021 Acts and Resolves No. 9, Sec. 30 is repealed.

Sec. C.111 FISCAL YEAR 2021 YEAR-END CLOSEOUT;

CARRYFORWARD AND FUND SOURCE REPLACEMENT

(a) After satisfying the requirements of 32 V.S.A. § 308, and after other reserve requirements have been met, but prior to satisfying the requirements of 32 V.S.A. § 308c, the first \$100,000,000 of remaining unreserved and undesignated funds at the end of fiscal year 2021 shall remain in the General Fund and be carried forward to fiscal year 2022. In fiscal year 2022, the Commissioner of Finance and Management is authorized to replace American Rescue Plan Act - Coronavirus State Fiscal Recovery Funds with these General Funds in the appropriations listed below:

(1) \$17,000,000 to replace the fund source in the appropriations in Sec. G.300(a)(3)-(6) of this act - (Judiciary, Defender General States Attorney, Department of Labor Apprenticeships).

(2) \$11,000,000 to replace the fund source in the appropriation in Sec. G.300 (a)(11) of this act- (Brownfields).

(3) \$8,820,000 to replace the fund source in the appropriations in Sec. G.300(a)(15)-(22) of this act- (selected economic development programs and appropriations).

(4) \$30,000,0000 to partially replace the fund source in the appropriation in Sec. G.400 (a)(1) of this act – (VHCB Housing).

(5) \$23,180,0000 to partially replace the fund source in the appropriations in Sec. G.501(a)(1)-(11) of this act - (State Technology Modernization Projects). Projects identified for fund source replacement shall be made in coordination and consultation with the Secretary of the Agency of Digital Services

(6) \$10,000,0000 to replace the fund source in the appropriation in Sec. G.600(a)(6) of this act - (VHCB Conservation).

(b) Any remaining amounts shall be allocated in accordance with 32 V.S.A. § 308c.

Sec. C.112 [Deleted.]

Sec. C.113 VEHICLE INCENTIVE PROGRAMS IN FISCAL YEAR 2021

(a) Notwithstanding 2020 Acts and Resolves No. 121, Sec. 1; 19 V.S.A. § 10g(n); and 32 V.S.A. § 706, if prior appropriations for the Incentive Program for New PEVs or MileageSmart are fully depleted prior to July 1, 2021, then to ensure that the programs are not halted due to lack of available funding in fiscal year 2021, the Agency shall cover the fiscal year 2021 funding program gap with other available resources and use a portion of the \$6,925,000 appropriated in Sec. B.1104(a)(1)(A) of this act in fiscal year 2022 to offset any expenditures made under this subsection.

Sec. C.114 2020 Acts and Resolves No. 120, Sec. B.2 is amended to read:

Sec. B.2. FISCAL YEAR 2021 PAY ACT APPROPRIATIONS

(a) Executive Branch. In fiscal year 2021, the fiscal year 2021 provisions of the collective bargaining agreements between the State of Vermont and the Vermont State Employees' Association for the Defender General, Non-Management, Supervisory, and Corrections bargaining units, and, for the purpose of appropriation, the State's Attorneys' offices bargaining unit, for the period of July 1, 2020 through June 30, 2021; the collective bargaining agreement with the Vermont Troopers' Association, for the period of July 1, 2020 through June 30, 2021; and salary increases for employees in the Executive Branch not covered by the bargaining agreements shall be funded as follows:

(1) General Fund. The amount of ~~\$11,553,795.00~~ \$4,053,795.00 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2021 compensation increases permitted by this act.

Sec. C.115 2021 Acts and Resolves No. 9 is amended to read:

\* \* \*

\* \* \* Human Services, Mental Health and Health Care \* \* \*

Sec. 6. DEPARTMENT OF MENTAL HEALTH; EMERGENCY  
OUTREACH SERVICES GRANTS

The sum of \$300,000.00 is appropriated from the ~~American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund~~ General Fund to the Department of Mental Health in fiscal year 2021 for grants to peer-led and impacted member-led organizations for emergency outreach services to address COVID-19-related needs. Of these funds, the Department shall allocate \$150,000.00 to a mental health peer-support organization and \$150,000.00 to an organization supporting the needs of LGBTQ youths.

\* \* \*

Sec. 8. DEPARTMENT OF MENTAL HEALTH; CASE MANAGEMENT  
SERVICES

The sum of \$850,000.00 is appropriated from the ~~American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund~~ General Fund to the Department of Mental Health in fiscal year 2021 to provide funds to the designated community mental health agencies to enable them each to hire an additional case manager to provide case management services to Vermont residents who may not previously have been part of an agency's caseload but whose lives have been significantly disrupted by the COVID-19 pandemic and who are now urgently in need of these agencies' supports. Agencies have the flexibility to identify where the targeted need exists within their agency, across all programs. The purpose of the funds appropriated in this section is limited to addressing the impacts related to the COVID-19 pandemic and the

appropriation of these funds is not intended to create an ongoing funding commitment.

Sec. 9. DEPARTMENT OF MENTAL HEALTH; WORKFORCE

TRAINING AND WELLNESS SUPPORTS

The sum of \$150,000.00 is appropriated from the ~~American Rescue Plan Act of 2021—Coronavirus State Fiscal Recovery Fund~~ General Fund to the Department of Mental Health in fiscal year 2021 for training and wellness supports for frontline health care workers to help them meet Vermont residents' current mental health needs, such as training for emergency department personnel responding to an increased demand for crisis services as a result of the COVID-19 pandemic and training on trauma-informed and trauma-specific care for mental health professionals responding to the surge in mental health treatment needs. These workers would also benefit from wellness supports as they continue to care for people in crisis while experiencing their own stress, anxiety, and trauma as a result of the pandemic.

Sec. 9a. RECOVERY CENTER SUPPLEMENTAL GRANTS

The sum of \$240,000.00 is appropriated from the ~~American Rescue Plan Act of 2021—Coronavirus State Fiscal Recovery Fund~~ General Fund to the Department of Health to make grants of \$20,000.00 to cover the financial impacts of the ongoing COVID-19 pandemic at each of the recovery centers statewide.



Sec. 10. SUPPORTS FOR NEW AMERICANS, REFUGEES, AND  
IMMIGRANTS

(a) The sum of \$700,000.00 is appropriated from the ~~American Rescue Plan Act of 2021—Coronavirus State Fiscal Recovery Fund~~ General Fund to the Agency of Human Services in fiscal year 2021 for distribution in equal amounts to the Association of Africans Living in Vermont and the U.S. Committee for Refugees and Immigrants’ Vermont Refugee Resettlement Program for various purposes related to COVID-19, including:

\* \* \*

Sec. 11. GRANTS TO REACH UP PARTICIPANTS

The sum of \$1,300,000.00 is appropriated from the ~~American Rescue Plan Act of 2021—Coronavirus State Fiscal Recovery Fund~~ General Fund to the Department for Children and Families in fiscal year 2021 for the purposes of distributing monies to families participating in the Reach Up program. These funds shall be distributed in a manner similar to the distribution of funds to this population pursuant to 2020 Acts and Resolves No. 136, Sec. 15.

Sec. 12. VERMONT FOOD BANK

(a) The sum of \$1,376,000.00 is appropriated from the ~~American Rescue Plan Act of 2021—Coronavirus State Fiscal Recovery Fund~~ General Fund in fiscal year 2021 to the Agency of Human Services’ Central Office to be

granted to the Vermont Food Bank to pay the costs of the Vermont Farmers to Families Food Box Program for the months of January and February 2021.

(b) The sum of \$82,000.00 is appropriated from the ~~American Rescue Plan Act of 2021—Coronavirus State Fiscal Recovery Fund~~ General Fund in fiscal year 2021 to the Agency of Human Services' Central Office to be granted to the Vermont Food Bank for statewide provision of diapers to families in need.

Sec. 13. GRANT TO THE ASSOCIATION FOR THE BLIND AND  
VISUALLY IMPAIRED

The sum of \$100,000.00 is appropriated from the ~~American Rescue Plan Act of 2021—Coronavirus State Fiscal Recovery Fund~~ General Fund to the Department of Disabilities, Aging, and Independent Living in fiscal year 2021 to be granted to the Vermont Association for the Blind and Visually Impaired for a technology training program for older Vermonters who experience decreased vision and blindness and others who are blind or visually impaired to address social isolation resulting from social distancing.

\* \* \*

\* \* \* Education \* \* \*

\* \* \*

Sec. 16. EDUCATION SERVICES; FEDERAL FUNDS APPROPRIATIONS

(a) Afterschool and Summer Programs: In fiscal year 2021 and to be carried forward, the sum of \$4,000,000.00 is appropriated from federal funds

for Elementary and Secondary School ~~Emergency~~ Relief ~~(ESSR)~~ (ESSER) provided in the ~~American Rescue Plan Act of 2021 Section 2001(f)~~ section 313 of the Coronavirus Response and Relief Supplemental Appropriations Act, 2021, Pub. L. No. 116-260 to the Agency of Education to be used for grants to afterschool and summer programs. At least \$2,000,000.00 of these grants shall be made with consultation from and approval of the Child Development Division in the Department for Children and Families. ~~These funds shall be used to fulfill requirements specified in the American Rescue Plan Act of 2021 pursuant to Section 2001(f)(2) and (3).~~

~~(b) Summer Meals: In fiscal year 2021 and to be carried forward, the sum of \$5,500,000.00 is appropriated from the American Rescue Plan Act of 2021 Coronavirus State Fiscal Recovery Fund to the Agency of Education to ensure that children and families have access to nutritious foods throughout the summer. This appropriation may be adjusted if the Commissioner of Finance and Management determines that FEMA funds will be awarded for this purpose.~~

\* \* \*

\* \* \* Natural Resources and Agriculture \* \* \*

Sec. 22. NATURAL RESOURCES AND AGRICULTURE

(a) In fiscal year 2021, funds are appropriated from the ~~American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund~~ General Fund as follows:

\* \* \*

\* \* \* Technical Assistance \* \* \*

Sec. 25. [Deleted.]

Sec. 26. PROVISION OF TECHNICAL ASSISTANCE SERVICES TO  
LOCAL GOVERNMENTS

(a) The sum of \$950,000.00 is appropriated from the ~~American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund~~ General Fund to the Agency of Commerce and Community Development to be granted as follows:

\* \* \*

Sec. C.116 2020 Acts and Resolves No. 154, Sec. D.101, as amended by 2021 Acts and Resolves No. 3, Sec. 42, is further amended to read

Sec. D.101 FUND TRANSFERS, REVERSIONS AND RESERVES

\* \* \*

(b) Notwithstanding any provisions of law to the contrary, in fiscal year 2021:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

22005	AHS Central Office earned federal receipts	6,474,593.00
50300	Liquor Control Fund	22,740,000.00
21990	State Health Care Resources Fund	3,000,000.00
62100	Unclaimed Property Fund	<del>2,710,636.00</del> <u>4,910,636.00</u>
	Caledonia Fair	5,000.00
	North Country Hospital Loan	24,047.00
21917	Public Funds Investigation Fund	100,000.00

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred from the following funds to the General Fund. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its next meeting following the final amounts being transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

21638	AG-Fees & reimbursement – Court order	<del>2,250,000.00</del> <u>3,050,000.00</u>
21928	Secretary of State Services Funds	2,867,898.00

(3) Notwithstanding 2016 Acts and Resolves No. 172, Section E. 228, ~~\$40,368,350~~ \$54,368,350 of the unencumbered balances in the Insurance

Regulatory and Supervision Fund (Fund Number 21075), the Captive

Insurance Regulatory and Supervision Fund (Fund Number 21085), the Financial Institution Regulatory and Supervision Fund (Fund Number 21065), and the Securities Regulatory and Supervision Fund (Fund Number 21080) shall be transferred to the General Fund.

(4) The following ~~amount~~ amounts shall be transferred from the General Fund to the ~~fund~~ funds indicated:

21270	Forest Parks Revolving Fund	1,200,000.00
	<u>E-911 Special Fund</u>	<u>1,800,000.00</u>

\* \* \*

(d) In fiscal year 2021, the following General Fund reserves shall be made:

(1) Pursuant to 32 V.S.A. § 308 and Section D.100.2 of this Act, ~~\$541,962~~ \$2,041,962 shall be reserved in the General Fund Budget Stabilization Reserve. To the extent this transfer exceeds the requirement of 32 V.S.A. § 308 funds and shall remain reserved in the General Fund Budget Stabilization Reserve and be reconciled with this reserve requirement in fiscal years 2022 or 2023.

\* \* \*

\* \* \* Fiscal Year 2022 Fund Transfers and Reserve Allocations \* \* \*

Sec. D.100 APPROPRIATIONS; PROPERTY TRANSFER TAX

(a) This act contains the following amounts appropriated from special funds that receive revenue from the property transfer tax. Expenditures from these appropriations shall not exceed available revenues.

(1) The sum of \$518,000 is appropriated from the Current Use Administration Special Fund to the Department of Taxes for administration of the Use Tax Reimbursement Program. Notwithstanding 32 V.S.A. § 9610(c), amounts in excess of \$518,000 from the property transfer tax that are deposited into the Current Use Administration Special Fund shall be transferred into the General Fund.

(2) The sum of \$10,804,840 is appropriated from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board (VHCB). Notwithstanding 10 V.S.A. § 312, amounts in excess of \$10,804,840 from the property transfer tax and surcharge established by 32 V.S.A. § 9602a that are deposited into the Vermont Housing and Conservation Trust Fund shall be transferred into the General Fund.

(A) The dedication of \$2,500,000 in revenue from the property transfer tax pursuant to 32 V.S.A. § 9610(d) for the debt payments on the affordable housing bond 10 V.S.A. § 314) is to be offset by the reduction of \$1,500,000 in the appropriation to the VHCB and \$1,000,000 from the surcharge established by 32 V.S.A. § 9602a. The fiscal year 2022 appropriation of \$10,804,840 to VHCB reflects the \$1,500,000 reduction. The affordable housing bond and related property transfer tax and surcharge provisions are repealed after the life of the bond on July 1, 2039. Once the

bond is retired, the \$1,500,000 reduction in the appropriation to VHCB is intended to be restored.

(3) The sum of \$3,760,599 is appropriated from the Municipal and Regional Planning Fund. Notwithstanding 24 V.S.A. § 4306(a), amounts in excess of \$3,760,599 from the property transfer tax that are deposited into the Municipal and Regional Planning Fund shall be transferred into the General Fund. The \$3,760,599 shall be allocated as follows:

(A) \$2,924,417 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) \$457,482 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b); and

(C) \$378,700 to the Agency of Digital Services for the Vermont Center for Geographic Information.

Sec. D.101 FUND TRANSFERS, REVERSIONS, AND RESERVES

(a) Notwithstanding any other provision of law, the following amounts are transferred from the funds indicated:

(1) From the General Fund to the Environmental Contingency Fund established by 10 V.S.A. § 1283: \$9,500,000.

(2) From the General Fund to the Human Rights Commission Fund (21692): \$300,000.



(3) From the General Fund to the Forest Parks Revolving Fund (21270):  
\$2,050,000.

(4) From the General Fund to the Act 250 Permit Fund (21260):  
\$1,000,000.

(5) From the General Fund to the Fire Prevention Special Fund (21901):  
\$500,000.

(6) From the Clean Water Fund (21932) established by 10 V.S.A.  
§ 1388 to the Agricultural Water Quality Special Fund (21933) created under  
6 V.S.A. § 4803: \$4,521,393

(7) From the Clean Water Fund established by 10 V.S.A. § 1388 to the  
Lake in Crisis Response Program Special Fund (21938) created under  
10 V.S.A. § 1315: \$50,000.

(8) From the Transportation Fund to the Downtown Transportation and  
Related Capital Improvement Fund (21575) established by 24 V.S.A. § 2796 to  
be used by the Vermont Downtown Development Board for the purposes of  
the Fund: \$4,023,966.

(9) From the Transportation Infrastructure Bond Fund established by  
19 V.S.A. § 11f to the Transportation Infrastructure Bonds Debt Service Fund  
established by 32 V.S.A. § 951a for funding fiscal year 2023 transportation  
infrastructure bonds debt service: \$2,502,363.

(b) Notwithstanding any provisions of law to the contrary, in fiscal year

2022:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

<u>22005</u>	<u>AHS Central Office earned federal receipts</u>	<u>\$4,641,961.14</u>
<u>50300</u>	<u>Liquor Control Fund</u>	<u>\$22,750,000.00</u>
	<u>Caledonia Fair</u>	<u>\$5,000.00</u>
	<u>North Country Hospital Loan</u>	<u>\$24,047.00</u>

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred from the following funds to the General Fund. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July meeting the final amounts transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

<u>21638</u>	<u>AG-Fees &amp; reimbursement – Court order</u>	<u>\$2,000,000.00</u>
<u>21928</u>	<u>Secretary of State Services Funds</u>	<u>\$2,467,898.00</u>
<u>62100</u>	<u>Unclaimed Property Fund</u>	<u>\$3,027,750.00</u>

(3) Notwithstanding 2016 Acts and Resolves No. 172, Sec. E. 228, \$46,078,618 of the unencumbered balances in the Insurance Regulatory and Supervision Fund (21075), the Captive Insurance Regulatory and Supervision

Fund (21085), and the Securities Regulatory and Supervision Fund (21080) shall be transferred to the General Fund.

(c) Notwithstanding any provision of law to the contrary, pursuant to 32 V.S.A. § 308, in fiscal year 2022, an estimated amount of \$6,259,724 shall be reserved in the General Fund Budget Stabilization Reserve.

(d) Notwithstanding any provision of law to the contrary, in fiscal year 2022, the following amounts shall revert to the General Fund from the accounts indicated:

<u>2150010000</u>	<u>Military – administration</u>	<u>\$200,000.00</u>
<u>1210002000</u>	<u>Legislature</u>	<u>\$140,000.00</u>
<u>1215001000</u>	<u>Legislative Counsel</u>	<u>\$50,000.00</u>
<u>1220000000</u>	<u>Joint Fiscal Office</u>	<u>\$50,000.00</u>
<u>1225001000</u>	<u>Legislative IT</u>	<u>\$120,000.00</u>
<u>1230001000</u>	<u>Sergeant at Arms</u>	<u>\$60,000.00</u>

Sec. D.102 27/53 RESERVE; TRANSFER AND USE

(a) \$3,740,000 from the General Fund shall be reserved in the 27/53 reserve in fiscal year 2022. This action is the fiscal year 2022 contribution to the reserve for the 53rd week of Medicaid as required by 32 V.S.A. § 308e and the 27th payroll reserve as required by 32 V.S.A. § 308e(b).

(b) \$24,030,000 shall be unreserved from the 27/53 Reserve in in fiscal year 2022 to provide for the appropriations described in Secs. B.1106(a)(1)(A) and B.1106(a)(1)(B) of this act.

Sec. D.103 [Deleted.]

Sec. D.104 FISCAL YEAR 2022 GLOBAL COMMITMENT PROGRAM

GENERAL FUND REVERSION

(a) In fiscal year 2022, the amount of \$66,000,000 shall be reverted to the General Fund from the general funds appropriated in Sec. B.301 of this act for the Global Commitment Program.

Sec. D.105 [Deleted.]

\* \* \* General Government \* \* \*

Sec. E.100 EXECUTIVE BRANCH POSITIONS

(a) The establishment of the following new positions is authorized in fiscal year 2022 shall be transferred and converted from existing vacant positions in the Executive Branch and shall not increase the total number of authorized State positions, as defined in Sec. A.107 of this act that pertains to subdivisions (1) and (2) of this subsection:

(1) Permanent classified positions:

(A) Department of Public Safety – one (1) Paralegal to assist with public records requests.

(B) Agency of Administration – one (1) Policy and Research Analyst and one (1) Outreach and Education Coordinator.

(C) Secretary of State – one (1) State Elections Assistant Director.

(D) Criminal Justice Council – one (1) Professional Regulatory Investigator.

(2) Permanent exempt position:

(A) Criminal Justice Council – one (1) Staff Attorney.

(b) The conversion of one limited service position to classified permanent status is authorized in fiscal year 2022 as follows:

(1) The Secretary of State – one (1) Administrative Services Director.

(c) Five-year limited service classified positions are authorized in fiscal year 2022:

(1) Department of Environmental Conservation – one (1) Environmental Analyst.

(2) Department of Health – one (1) Senior Environmental Health Risk Assessor.

Sec. E.100.1 2014 Acts and Resolves No. 179, Sec. E100(d); as amended by 2015 Acts and Resolves No. 4, Sec. 74; 2016 Acts and Resolves No. 172, Sec. E.100.2; 2017 Acts and Resolves No. 85, Sec. E.100.1; 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.100.1; 2020 Acts and Resolves No. 120; and by 2020 Act and Resolves No. 154, Sec. A.7; is further amended to read:

(d) Position Pilot Program. A Position Pilot is hereby created to assist participating departments in more effectively managing costs of overtime, compensatory time, temporary employees, and contractual work by removing the position cap with the goal of maximizing resources to the greatest benefit of Vermont taxpayers.

\* \* \*

(7) This Pilot shall sunset on ~~July 1, 2024~~ July 1, 2023, unless extended or modified by the General Assembly.

Sec. E.103 12 V.S.A. § 5601(f) is amended to read:

(f) The limitations in subsection (e) of this section do not apply to claims against the State of Vermont to the extent that there exists coverage under a policy of liability insurance purchased by the ~~Commissioner of Buildings and General Services~~ Secretary of Administration.

Sec. E.103.1 12 V.S.A. § 5603 is amended to read:

§ 5603 SETTLEMENT OF CLAIMS

(a) The Attorney General may consider, adjust, determine, and settle any claim for damages against the State of Vermont resulting from the acts or omissions of an employee as provided under 3 V.S.A. § 159. If the State elects to self-insure the liability as defined in 12 V.S.A. § 5601, the Attorney General shall consult with the ~~Commissioner of Buildings and General Services~~

Secretary of Administration prior to exercising his or her authority under this subsection.

\* \* \*

Sec. E.103.2 REPEAL

29 V.S.A. § 152(a)(5) is repealed.

Sec. E.103.3 3 V.S.A. § 2222 is amended to read:

§ 2222. POWERS AND DUTIES; BUDGET AND REPORT

(a) In addition to the duties expressly set forth elsewhere by law, the Secretary shall:

\* \* \*

(11) Inspect, appraise, and maintain a current appraisal schedule of all State-owned buildings, appendages, and appurtenances thereto based upon replacement value in the first instance and upon depreciated value in the second instance. Appraisals shall be furnished upon request to the Commissioner of Buildings and General Services, departments and agencies concerned, and appropriate committees of the General Assembly.

\* \* \*

Sec. E.105 3 V.S.A. § 3303 is amended to read:

§ 3303 REPORTING, RECORDS, AND REVIEW REQUIREMENTS

\* \* \*

(c) Strategic plan. The Secretary shall prepare and submit a strategic plan for information technology and cybersecurity, concurrent with the Governor's annual budget request required under 32 V.S.A. § 306. The strategic plan shall include:

\* \* \*

Sec. E.106 SELECT EXECUTIVE BRANCH FEES; PROPOSED  
INCREASES; REPORT

(a) The Commissioner of Finance and Management shall identify the existing statutory Executive Branch fees in the areas of public health, natural resources, and transportation that currently generate receipts in excess of \$1,000,000 per fiscal year and that have not been changed or reauthorized in two or more years.

(b) For the fees described in subsection (a) of this section, the Commissioner of Finance and Management shall prepare a report that shows what each fee would be if the fee was changed to reflect the level of inflation between the date the fee was last changed and July 2021, as well as the difference between current revenue and new revenue if the fee were to change.

(c) On or before January 15, 2022, the Commissioner of Finance and Management shall submit a copy of the report described in subsection (b) of this section to the House Committees on Government Operations and on Ways and Means, and the Senate Committees on Finance and on Government



Operations. The report shall include a proposal to increase any fee identified in subsection (b) which the revenue raised by the fee does not account for the cost of providing the service, product, or regulatory function supported by that fee.

Sec. E.107 CORONAVIRUS RELIEF FUND APPROPRIATIONS;

REVERSION AND REALLOCATION; REPORTS

(a) The Commissioner of Finance and Management is authorized to revert all unobligated Coronavirus Relief Fund (CRF) appropriations prior to December 31, 2021. The total amount of CRF monies reverted in accordance with this subsection shall be allocated pursuant to 32 V.S.A. § 511 to any agency or department for CRF-eligible costs incurred from July 1, 2021 through December 31, 2021.

(b) If previously obligated CRF monies become unobligated after December 31, 2021, the Commissioner of Finance and Management is authorized to revert the unobligated CRF appropriations and allocate the monies for expenditure pursuant to 32 V.S.A. § 511 to any agency or department for CRF-eligible costs incurred from July 1, 2021 through December 31, 2021.

(c) The Commissioner of Finance and Management shall report to the House and Senate Committees on Appropriations with the Governor's recommended fiscal year 2022 budget adjustment proposal the total amount of

reversions and allocations executed to date pursuant to subsection (a) of this section and the total amount of reversions and allocations executed to date pursuant to subsection (b) of this section. On April 1, 2022, the Commissioner shall provide an update on these amounts to the House and Senate Committees on Appropriations along with any recommendation for language needed in the fiscal year 2023 budget bill to continue to close out the State’s CRF.

(d) The authority granted to the Commissioner of Finance and Management in this section is in addition to the authority granted to the Commissioner by 2021 Acts and Resolves No. 3, Sec. 2.

Sec. E.108 – Human resources – operations

(a) The Department of Human Resources, as the replacement of the current position classification system is designed and implemented, shall request input from State employees who are members of the classified system and their union or collective bargaining unit representatives. On January 15 of each year, the Department shall provide annual status reports to the Committees on Appropriations and Government Operations until project completion.

Sec. E.111 Tax – administration/collection

(a) Of the appropriation in Sec. B.111 of this act, \$15,000 is from the Current Use Administration Special Fund established by 32 V.S.A. § 9610(c) and shall be appropriated for programming changes to the CAPTAP software

used by municipalities for establishing property values and administering their grand lists.

Sec. E.112 STATE ENERGY MANAGEMENT PROGRAM

(a) The Buildings and General Services State Energy Management Program may charge for technical assistance it provides to municipalities at an amount equal to time and cost.

Sec. E.125 OFFICE OF LEGISLATIVE COUNSEL POSITIONS

(a) One permanent exempt position, Paralegal, is authorized for establishment in fiscal year 2022.

(b) One exempt limited service position, Legislative Counsel, is authorized for establishment in fiscal year 2022.

Sec. E.126 TRANSFER OF FUNDS WITHIN LEGISLATIVE BRANCH

(a) Notwithstanding 32 V.S.A. § 706, in fiscal year 2022, appropriations within the Legislative Branch may be transferred between respective offices to ensure a balanced close-out in the fiscal year.

Sec. E.126a LEGISLATIVE – HUMAN RESOURCE ASSOCIATE  
POSITION

(a) One limited service position, Human Resources Associate, is authorized for establishment in fiscal year 2022.

Sec. E.126b TASK FORCE ON AFFORDABLE, ACCESSIBLE HEALTH  
CARE; REPORT

(a) Creation. There is created the Task Force on Affordable, Accessible Health Care to explore opportunities to make health care more affordable for Vermont residents and employers.

(b) Membership. The Task Force may be composed of the following six members:

(1) three current members of the House of Representatives, not all from the same political party, who shall be appointed by the Speaker of the House; and

(2) three current members of the Senate, not all from the same political party, who shall be appointed by the Committee on Committees.

(c) Powers and duties. The Task Force shall explore opportunities to make health care, including prescription drugs, more affordable for Vermont residents and employers, including identifying potential opportunities to leverage federal flexibility and financing and to expand existing public health care programs. In completing its work, the Task Force shall:

(1) keep in mind the principles for health care reform enacted in 2011 Acts and Resolves No. 48 and codified at 18 V.S.A. § 9371;

(2) identify the primary drivers of health insurance premium increases in Vermont;

(3) review the findings and recommendations from previous studies and analyses relating to the affordability of health care coverage in Vermont;

(4) determine actions the State can take without federal assistance to address the unmet health care needs of Vermont residents and employers;

(5) analyze the long-term trends in out-of-pocket costs in Vermont in individual and small group health insurance plans and in large group health insurance plans; and

(6) identify opportunities to decrease health care disparities, especially those highlighted by the COVID-19 pandemic and those attributable to a lack of access to affordable health care services.

(d) Assistance.

(1) To the extent that applicable funds are appropriated in Sec. B.1106 of this act, the Joint Fiscal Office shall contract with a consultant to provide the Task Force with technical and research assistance in carrying out the duties set forth in subsection (c) of this section. The consultant's primary focus shall be on monitoring and reviewing opportunities made available by the Biden Administration to expand access to affordable health care through existing public health care programs or through emerging opportunities to address the unmet health care needs of Vermont residents and employers. The consultant shall remain available to assist the committees of jurisdiction as needed throughout the 2022 legislative session.

(2) In addition, the Task Force shall have the administrative, technical, and legal assistance of the Office of Legislative Operations, the Office of

Legislative Counsel, and the Joint Fiscal Office.

(f) Reports.

(1) On or before December 1, 2021, the Task Force and the consultant shall brief the leadership of the House Committee on Health Care and of the Senate Committee on Health and Welfare on their preliminary findings.

(2) On or before January 15, 2022, the Task Force and the consultant shall present to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance their findings and recommendations regarding the most cost-effective ways to expand access to affordable health care for Vermonters without health insurance and those facing high health care costs and the various options available to implement these recommendations.

(g) Meetings.

(1) The first meeting of the Task Force shall occur on or before August 15, 2021.

(2) The Task Force shall select House and Senate co-chairs from among its members at its first meeting. The Co-Chairs shall alternate acting as Chair at Task Force meetings.

(3) A majority of the Task Force membership shall constitute a quorum.

(4) The Task Force shall cease to exist on January 15, 2022.

(h) Compensation and reimbursement. For attendance at meetings during

adjournment of the General Assembly, the members of the Task Force shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than five meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. E.126.1 LEGISLATIVE INFORMATION TECHNOLOGY – WEB  
DEVELOPER POSITION

(a) One permanent exempt position, Web Developer, is authorized for establishment in fiscal year 2022.

Sec. E.127 JOINT FISCAL OFFICE – FISCAL ANALYST POSITION

(a) One permanent exempt position, Fiscal Analyst, is authorized for establishment in fiscal year 2022.

Sec. E.127.1 INFORMATION TECHNOLOGY REVIEW

(a) The Executive Branch shall transfer, upon request, one vacant position for use in the Legislative Joint Fiscal Office (JFO) for a staff position, or the JFO may hire a consultant, to provide support to the General Assembly to conduct independent reviews of State information technology projects and operations.

(b) The Secretary of Administration and the Chief Information Officer shall:

(1) provide to the JFO access to the reviews conducted by Independent Verification and Validation (IVV) firms hired to evaluate the State's current

and planned information technology project, as requested;

(2) ensure that IVV firms' contracts allow the JFO to make requests for information related to the projects that it is reviewing and that such requests are provided to the JFO in a confidential manner; and

(3) provide to the JFO access to all other documentation related to current and planned information technology projects and operations, as requested.

(c) The JFO shall maintain a memorandum of understanding with the Executive Branch relating to any documentation provided under subsection (b) of this section that shall protect security and confidentiality.

(d) To fund this work for fiscal year 2022 and fiscal year 2023, notwithstanding 32 V.S.A. § 706, at the close of fiscal year 2021, \$250,000.00 in carryforward from the legislative budget shall be transferred to the JFO.

#### Sec. E.127.2 ISSUE BRIEF – PROGRAMS FUNDED AND TRENDS

##### RELATED TO CRIMINAL JUSTICE FINES, FEES,

##### PENALTIES AND SURCHARGES

(a) The Joint Fiscal Office shall prepare an issue brief to present to the Joint Justice Oversight Committee on criminal justice fines, fees, penalties and surcharges at their November or December 2021 meeting. Specifically, the issue brief shall provide:



(1) the revenues generated by these items over the past five fiscal years, and the projected revenue from these source for the next five fiscal years;

(2) an inventory of the programs supported by these revenues, and the projected funding needs of these programs over the next five years.

(3) options for alternative funding sources for these programs for consideration in the 2023 legislation session.

(b) The Joint Fiscal Office shall consult with program stakeholders and shall have the assistance of Executive Branch agencies and departments as needed in preparing this issue brief.

#### Sec. E.127.3 USE OF FEDERAL EXCESS RECEIPTS DURING 2021

##### LEGISLATIVE ADJOURNMENT

(a)(1) Notwithstanding Sec. A.106 of this act and 32 V.S.A. § 511, if federal legislation, such as a federal infrastructure bill, is enacted that provides Vermont with additional federal resources received following the adjournment of the 2021 legislative session and prior to the convening of the 2022 legislative session, the Secretary of Administration shall seek the approval of the Joint Fiscal Committee as set forth in this section prior to obligating or expending federal monies in any specific receipt greater than \$5,000,000.

(2) Nothing in subdivision (1) of this subsection shall be construed to authorize the Secretary to obligate or expend State funds in excess of the amounts of State funds appropriated in the fiscal year 2022 budget.

(b) The Secretary of Administration shall inform the Joint Fiscal Committee, through the Joint Fiscal Office, of any changes in the availability to the State of federal funds in a previously accepted grant following the adjournment of the 2021 legislative session and prior to the convening of the 2022 legislative session, and shall request approval from the Joint Fiscal Committee, by notifying the Joint Fiscal Office, of any proposed obligation or expenditure of a receipt of federal funds greater than \$5,000,000.

(1) The Joint Fiscal Committee may approve the proposed obligation or expenditure of newly available federal funds if the Committee determines that the proposal meets one or more of the following criteria:

(A) The proposed use of funds is consistent with the intent of legislation enacted during the 2021 legislative session.

(B) The proposed use of funds is necessary to meet needs associated with the COVID-19 pandemic.

(C) The proposed use of funds requires prompt action that should not be delayed to allow for consideration by the General Assembly during the 2022 legislative session.

(2) If the Joint Fiscal Committee disapproves the proposed obligation or expenditure of newly available federal funds in whole or in part, the Committee shall inform the Secretary of the disapproval and the basis for the disapproval within 30 calendar days following receipt by the Joint Fiscal

Office of the proposed obligation or expenditure. The Secretary may revise and resubmit a disapproved proposal for further consideration.

(3) If the Joint Fiscal Committee does not take action on the proposed obligation or expenditure of newly available federal funds within 30 calendar days following receipt by the Joint Fiscal Office of the Secretary's proposal or resubmitted proposal, the proposed obligation or expenditure shall be deemed approved.

(c) The Secretary of Administration may obligate and expend federal receipts of up to \$5,000,000 that become available as the result of federal legislation enacted following the adjournment of the 2021 legislative session and prior to the convening of the 2022 legislative session pursuant to 32 V.S.A. § 511 without seeking approval from the Joint Fiscal Committee.

(d) The authority of the Secretary of Administration and the Joint Fiscal Committee as set forth in this section shall remain in effect until February 1, 2022.

Sec. E.128 SERGEANT AT ARMS – CAPITOL POLICE OFFICER  
POSITION

(a) One permanent exempt position, Capitol Police Officer, is authorized for establishment in fiscal year 2022.

Sec. E.128.1 SERGEANT AT ARMS – LEGISLATIVE FACILITY  
COORDINATOR POSITION

(a) One limited service position, facility coordinator, is authorized for establishment in fiscal year 2021. The Sergeant at Arms is authorized to fill this position or to hire a consultant to provide facility coordination and management expertise to the legislature starting in fiscal year 2021.

Sec. E.130 32 V.S.A. § 168 is amended to read:

§ 168. SINGLE AUDIT REVOLVING FUND

(a)(1) The Single Audit Revolving Fund is established within the State Treasury, to be administered by the Auditor of Accounts, from which payments may be made for the costs of audits performed pursuant to subdivisions 163(1) ~~and, 163(2), and 5404a(1)~~ of this ~~subchapter title~~ and 24 V.S.A. § 290b.

(2) All monies received from charges made for audit services under the provisions of subsection (b) of this section and sums that may be appropriated to the Fund shall be deposited in the Fund.

(3) Any balance remaining in the Fund at the end of any fiscal year shall be carried forward and remain a part of the Fund.

(b)(1) The Auditor of Accounts shall charge the State department, agency, commission, instrumentality, political subdivision, or State-created authority audited for the direct and indirect costs of an audit performed pursuant to subdivisions 163(1) ~~and, 163(2), and 5404a(1)~~ of this ~~subchapter title~~ and 24 V.S.A. § 290b.

(2) Costs shall be determined by the Auditor of Accounts and costs associated with subdivisions 163(1) and (2) of this ~~subchapter~~ title shall be approved by the Secretary of Administration.

Sec. E.130.1 32 V.S.A. § 5404a is amended to read:

§ 5404a. TAX STABILIZATION AGREEMENTS; TAX INCREMENT  
FINANCING DISTRICTS

\* \* \*

(1) The State Auditor of Accounts shall conduct performance audits of all tax increment financing districts ~~according to a schedule, which will be arrived at in consultation with the Vermont Economic Progress Council.~~ The cost of conducting each audit shall be considered a “related cost” as defined in 24 V.S.A. § 1891(6) and shall be billed back to the municipality pursuant to subsection 168(b) of this title. Audits conducted pursuant to this subsection shall include a review of a municipality’s adherence to relevant statutes and rules adopted by the Vermont Economic Progress Council pursuant to subsection (j) of this section, an assessment of record keeping related to revenues and expenditures, and a validation of the portion of the tax increment retained by the municipality and used for debt repayment and the portion directed to the Education Fund.

\* \* \*

Sec. E.133 VERMONT STATE RETIREMENT SYSTEM

(a) Notwithstanding 3 V.S.A. § 473(d), in fiscal year 2022, investment fees shall be paid from the corpus of the Fund.

Sec. E.139 GRAND LIST LITIGATION ASSISTANCE

(a) Of the appropriation in Sec. B.139 of this act, \$9,000 shall be transferred to the Attorney General and \$70,000 shall be transferred to the Department of Taxes, Division of Property Valuation and Review and reserved and used with any remaining funds from the amount previously transferred for final payment of expenses incurred by the Department or towns in defense of grand list appeals regarding the reappraisals of the hydroelectric plants and other property owned by TransCanada Hydro Northeast, Inc. and its successor Great River Hydro, LLC in the State of Vermont. Expenditures for this purpose shall be considered qualified expenditures under 16 V.S.A. § 4025(c).

Sec. E.142 PAYMENTS IN LIEU OF TAXES

(a) The appropriation in Sec. B.142 is for State payments in lieu of property taxes under 32 V.S.A. chapter 123, subchapter 4, and the payments shall be calculated in addition to and without regard to the appropriations for PILOT for Montpelier and for correctional facilities elsewhere in this act. Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.143 PAYMENTS IN LIEU OF TAXES – MONTPELIER

(a) Payments in lieu of taxes under Sec. B.143 shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.144 PAYMENTS IN LIEU OF TAXES – CORRECTIONAL  
FACILITIES

(a) Payments in lieu of taxes under Sec. B.144 shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

\* \* \* Protection to Persons and Property \* \* \*

Sec. E.200 ATTORNEY GENERAL

(a) Notwithstanding any other provisions of law, the Office of the Attorney General, Medicaid Fraud and Residential Abuse Unit, is authorized to retain, subject to appropriation, one-half of the State share of any recoveries from Medicaid fraud settlements, excluding interest, that exceed the State share of restitution to the Medicaid Program. All such designated additional recoveries retained shall be used to finance Medicaid Fraud and Residential Abuse Unit activities.

(b) Of the revenue available to the Attorney General under 9 V.S.A. § 2458(b)(4), \$1,390,500 is appropriated in Sec. B.200 of this act.

Sec. E.207 JOINT LEGISLATIVE JUSTICE OVERSIGHT  
COMMITTEE; TRANSPORTS; STUDY; REPORT

(a) The Joint Legislative Justice Oversight Committee shall examine the current system for transporting prisoners and persons with a mental condition

or psychiatric disability who are in the custody of the State, including transports provided by deputy sheriffs who are paid by the State pursuant to 24 V.S.A. § 290(b) and transports provided pursuant to contracts that certain State agencies have entered into with county sheriff's departments. The Committee may recommend changes to the existing system and shall identify any benefits and adverse consequences related to those recommended changes.

(b) On or before November 15, 2021, the Committee shall submit a report to the House and Senate Committees on Appropriations, on Government Operations, and on Judiciary regarding its findings and any recommendations for legislative action.

(c) In conducting its review pursuant to this section, the Committee shall review audits prepared by the Auditor of Accounts regarding the use of deputies who are paid by the State pursuant to 24 V.S.A. § 290(b) during the state of emergency declared pursuant to Executive Order 01-20, as amended, and the Inmate Transportation Study Report prepared pursuant to 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.207.

Sec. E.208 PUBLIC SAFETY – ADMINISTRATION

(a) The Commissioner of Public Safety is authorized to enter into a performance-based contract with the Essex County Sheriff's Department to provide law enforcement service activities agreed upon by both the Commissioner of Public Safety and the Sheriff.



Sec. E.209 PUBLIC SAFETY – STATE POLICE

(a) Of the appropriation in Sec. B.209 of this act, \$35,000 in special funds shall be available for snowmobile law enforcement activities and \$35,000 in general funds shall be available to the Southern Vermont Wilderness Search and Rescue Team, which comprises State Police, the Department of Fish and Wildlife, county sheriffs, and local law enforcement personnel in Bennington, Windham, and Windsor Counties, for snowmobile enforcement.

(b) Of the appropriation in Sec. B.209 of this act, \$405,000 is allocated for grants in support of the Drug Task Force. Of this amount, \$190,000 shall be used by the Vermont Drug Task Force to fund three town task force officers. These town task force officers shall be dedicated to enforcement efforts with respect to both regulated drugs as defined in 18 V.S.A. § 4201(29) and the diversion of legal prescription drugs. Any unobligated funds may be allocated by the Commissioner to fund the work of the Drug Task Force or carried forward.

Sec. E.212 PUBLIC SAFETY – FIRE SAFETY

(a) Of the General Fund appropriation in Sec. B.212 of this act, \$55,000 shall be granted to the Vermont Rural Fire Protection Task Force for the purpose of designing dry hydrants.

Sec. E.215 MILITARY – ADMINISTRATION

(a) The amount of \$1,119,834 shall be disbursed to the Vermont Student Assistance Corporation for the National Guard Tuition Benefit Program established in 16 V.S.A. § 2857.

Sec. E.219 MILITARY – VETERANS’ AFFAIRS

(a) Of the appropriation in Sec. B.219 of this act, \$1,000 shall be used for continuation of the Vermont Medal Program; \$4,800 shall be used for the expenses of the Governor’s Veterans’ Advisory Council; \$7,500 shall be used for the Veterans’ Day parade; \$5,000 shall be used for the Military, Family, and Community Network; and \$10,000 shall be granted to the American Legion for the Boys’ State and Girls’ State programs.

Sec. E.220 CENTER FOR CRIME VICTIMS SERVICES

(a) Notwithstanding 20 V.S.A. § 2365(c), the Vermont Center for Crime Victims Services shall transfer \$52,624 from the Domestic and Sexual Violence Special Fund established in 13 V.S.A. § 5360 to the Criminal Justice Training Council for the purpose of funding one-half the costs of the Domestic Violence Trainer position. The other half of the position will be funded with an appropriation to the Criminal Justice Training Council.

Sec. E.220.1 [Deleted.]

Sec. E.222 2019 Acts and Resolves No. 83, Sec. 3, as amended by 2020 Acts and Resolves No. 129, Sec. 24, is further amended to read:

Sec. 3. PAYMENT FOR ECOSYSTEM SERVICES AND SOIL

HEALTH WORKING GROUP

\* \* \*

(4) The Working Group shall cease to exist on February 1, ~~2022~~ 2023.

(d) On or before January 15, ~~2022~~ 2023, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry a report that shall include:

\* \* \*

Sec. E.224 AGRICULTURE, FOOD AND MARKETS – AGRICULTURAL  
DEVELOPMENT

(a) Of the funds appropriated in Sec. B.224 of this act, the amount of \$594,000 in general funds is appropriated for expenditure by the Working Lands Enterprise Board established in 6 V.S.A. § 4606 for investments in food and forest system businesses and services providers pursuant to 6 V.S.A. § 4607 and consistent with the funding priorities in 2012 Acts and Resolves No. 142, Sec. 5, as amended by 2014 Acts and Resolves No. 179, Sec. E.224.1.

Sec.E.227 DEPARTMENT OF FINANCIAL REGULATION; ESSENTIAL  
HEALTH BENEFITS; BENCHMARK PLAN REVIEW

(a) The Department of Financial Regulation, in consultation with the Department of Vermont Health Access; the Director of Health Care Reform in the Agency of Human Services; the Green Mountain Care Board; representatives of health care consumers, health care providers, and health

insurers; and other interested stakeholders, shall review Vermont’s benchmark plan establishing the State’s essential health benefits to assess whether the benchmark plan is appropriately aligned with Vermont’s health care reform goals regarding population health and prevention, as set forth in the Vermont All-Payer Accountable Care Organization (ACO) Model agreement and the Department of Health’s State Health Improvement Plan: 2019–2023, and to determine whether to recommend requesting approval from the Centers for Medicare and Medicaid Services to modify the benchmark plan. As part of its review, the Department shall:

(1) determine the potential impacts of modifying the benchmark plan to include coverage of each of the following:

- (A) hearing aids;
- (B) dentures;
- (C) vision care;
- (D) durable medical equipment; and
- (E) fertility services; and

(2) analyze the likely impact on qualified health plan designs, actuarial values, and premium rates of requiring individual and small group health insurance plans to provide each insured with at least two primary care visits per year with no cost-sharing requirement.

(b) On or before January 15, 2022, the Department of Financial Regulation shall provide the results of its benchmark plan review, including the extent of the plan's alignment with the All-Payer ACO Model agreement and the State Health Improvement Plan and any necessary revisions to maximize that alignment, the impacts of adding coverage for each of the items listed in subdivisions (a)(1)(A)–(E) of this section, the likely impacts of requiring plans to provide at least two primary care visits annually without cost-sharing, and any recommendations for modifications to Vermont's benchmark plan, to the House Committees on Health Care and on Human Services and the Senate Committees on Health and Welfare and on Finance.

Sec. E.227.1 18 V.S.A. § 9473 is amended to read:

§ 9473. PHARMACY BENEFIT MANAGERS; REQUIRED PRACTICES  
WITH RESPECT TO PHARMACIES

\* \* \*

(d) A pharmacy benefit manager shall not:

(1) require a claim for a drug to include a modifier or supplemental transmission, or both, to indicate that the drug is a 340B drug unless the claim is for payment, directly or indirectly, by Medicaid; or

(2) restrict access to a pharmacy network or adjust reimbursement rates based on a pharmacy's participation in a 340B contract pharmacy arrangement.

Sec. E.227.2 REPEAL

18 V.S.A. § 9473(d) (pharmacy benefit managers; 340B entities) is repealed on January 1, 2023.

Sec. E.227.3 DEPARTMENT OF FINANCIAL REGULATION; 340B

DRUG PRICING PROGRAM; REPORT

On or before January 15, 2022, the Department of Financial Regulation, in consultation with the Office of the Attorney General, shall report to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance regarding national activity affecting participation in the 340B Drug Pricing Program, including:

(1) recent changes to the manner in which prescription drug manufacturers pay rebates to pharmacy benefit managers for prescriptions filled through 340B pharmacies;

(2) the potential impacts of these changes on Vermont stakeholders, including individual Vermonters; and

(3) possible State responses to prescription drug manufacturer and pharmacy benefit manager actions related to participation in the 340B Drug Pricing Program.

Sec. E.234 [Deleted.]

Sec. E.234.1 [Deleted.]

Sec. E.234.2 [Deleted.]

Sec. E.234.3 DEVELOPMENT OF WEATHERIZATION WORKFORCE  
AND COUNSELING SERVICES; REPORTS

(a) Weatherization Workforce report.

(1) On or before June 15, 2021, the Chairs of the Senate Committee on Natural Resources and Energy and the House Committee on Energy and Technology, or their designees, shall meet with the Department of Labor, the Agency of Education, Efficiency Vermont, representatives of the community action agencies, NeighborWorks of Western Vermont, the Vermont Fuel Dealers Association, and other parties currently delivering programming to train workers to perform services related to thermal energy savings and weatherization.

(2) Thereafter, Efficiency Vermont shall lead the Weatherization Workforce Group that shall develop plans for the coordinated delivery of a standardized statewide Building Sciences curriculum that includes weatherization. The curriculum shall be designed to establish a career pathway in energy efficiency construction and shall include a certification that is broadly recognized, transparent, and portable.

(3) On or before October 1, 2021, Efficiency Vermont shall report to the Senate Committee on Natural Resources and Energy and the House Committee on Energy and Technology a plan for enhancing the coordinated delivery of

the standardized Building Sciences training program in order to support the goals of 10 V.S.A. § 581.

(b) Energy Savings Counseling report.

(1) On or before June 30, 2021, the Chairs of the Senate Committee on Natural Resources and Energy and the House Committee on Energy and Technology, or their designees shall meet with the Office of Economic Opportunity, the directors of the community action agencies, Efficiency Vermont, NeighborWorks of Western Vermont, and other parties currently providing outreach and counseling services to Vermonters with low and moderate income for the State's energy savings programs, including thermal and transportation energy efficiency programs.

(2) Thereafter, the Office of Economic Opportunity shall lead the Energy Savings Counseling Group that shall develop a plan for the coordinated and effective delivery of counseling services designed to enroll and deliver energy savings programs to their target service populations.

(3) On or before October 15, 2021, the Office of Economic Opportunity shall report to the Senate Committee on Natural Resources and Energy and the House Committee on Energy and Technology a plan for coordinating and enhancing their counseling services to Vermonters with low and moderate-income who could benefit from the State's energy savings programs, including thermal and transportation energy efficiency programs.



Sec. E.234.4 [Deleted.]

Sec. E.235 STUDY; E-911 SPECIAL FUND

(a) The Agency of Administration shall review the existing statutory funding streams for the Enhanced 911 Special Fund and shall propose changes or additions as necessary to ensure the long-term sustainability of the E-911 Board's operations. On or before January 15, 2022, the Secretary of Administration shall report his or her findings and recommendations to the House Committees on Energy and Technology, on Government Operations, on Ways and Means, and on Appropriations and the Senate Committees on Finance and on Appropriations. As a part of this review and report, the Secretary shall specifically provide comment or recommendation on the proposals related to capacity of the Universal Service Fund contained in the report issued pursuant to 2020 Acts and Resolves No. 137, Sec. 19 (PEG study), and recommendations regarding the structure or governance of the E-911 program.

\* \* \* Human Services \* \* \*

Sec. E.300 FUNDING FOR THE OFFICE OF THE HEALTH CARE

ADVOCATE

(a) Of the funds appropriated in Sec. B.300 of this act, \$1,457,406 shall be used for the contract with the Office of the Health Care Advocate.

Sec. E.300.1 2020 Acts and Resolves No. 155, Sec. 2 is amended to read:

Sec. 2. HEALTH CARE WORKFORCE STRATEGIC PLAN; REPORT

(a) The Director of Health Care Reform, in connection with the advisory group established pursuant to 18 V.S.A. § 9491(b) in Sec. 1 of this act, shall update the health care workforce strategic plan as set forth in 18 V.S.A. § 9491 and shall submit a draft of the plan to the Green Mountain Care Board for its review and approval on or before ~~July 1~~ October 15, 2021. The Board shall review and approve the plan within 30 days following receipt.

(b) On or before ~~August 15~~ December 1, 2021, the Director shall provide the updated health care workforce strategic plan to the House Committees on Appropriations, on Health Care, and on Commerce and Economic Development and the Senate Committees on Appropriations, on Health and Welfare, and on Economic Development, Housing and General Affairs.

Sec. E.300.2 [Deleted.]

Sec. E.301 SECRETARY'S OFFICE – GLOBAL COMMITMENT:

(a) The Agency of Human Services shall use the funds appropriated in Sec. B.301 of this act for payment of the actuarially certified premium required under the intergovernmental agreement between the Agency of Human Services and the managed care entity, the Department of Vermont Health Access, as provided for in the Global Commitment for Health Waiver (Global Commitment) approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

(b) In addition to the State funds appropriated in this section, a total estimated sum of \$24,993,731 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) \$22,220,000 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount, combined with \$28,280,000 of federal funds appropriated in Sec. B.301 of this act, equals a total estimated expenditure of \$50,500,000. An amount equal to the amount of the federal matching funds for eligible special education school-based Medicaid services under Global Commitment shall be transferred from the Global Commitment Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A. § 2959a.

(2) \$2,773,731 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

(c) Up to \$4,618,437 is transferred from the AHS Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Sec. B.301 of this act – Secretary’s Office – Global Commitment.

Sec. E.301.1 GLOBAL COMMITMENT WAIVER AMENDMENT

(a) The Secretary of Human Services is authorized to seek to extend or renew Vermont's Global Commitment to Health Section 1115 Demonstration Waiver, which is currently set to expire on December 31, 2021. The Agency of Human Services shall strive to maintain or increase the State's flexibility to use Global Commitment investment dollars to increase access to care and coverage, improve health outcomes, strengthen health care delivery, and promote transformation to value-based and integrated models of care.

Sec. E.301.2 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER;  
REPORT

(a) In order to facilitate the end-of-year closeout for fiscal year 2022, the Secretary of Human Services, with approval from the Secretary of Administration, may make transfers among the appropriations authorized for Medicaid and Medicaid-waiver program expenses, including Global Commitment appropriations outside the Agency of Human Services. At least three business days prior to any transfer, the Agency shall submit to the Joint Fiscal Office a proposal of transfers to be made pursuant to this section. A final report on all transfers made under this section shall be made to the Joint Fiscal Committee for review at the September 2022 meeting. The purpose of this section is to provide the Agency with limited authority to modify the appropriations to comply with the terms and conditions of the Global

Commitment for Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

Sec. E.301.3 [Deleted.]

Sec. E.306 VERMONT HEALTH BENEFIT EXCHANGE RULES

(a) The Agency of Human Services may adopt rules pursuant to 3 V.S.A. chapter 25 to conform Vermont's rules regarding health care eligibility and enrollment and the operation of the Vermont Health Benefit Exchange to State and federal law and guidance. The Agency may use the emergency rules process pursuant to 3 V.S.A. § 844 prior to June 30, 2022, but only in the event that new State or federal law or guidance requires Vermont to amend or adopt its rules in a time frame that cannot be accomplished under the traditional rulemaking process. An emergency rule adopted under these exigent circumstances shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

Sec. E.306.1 33 V.S.A. § 1805 is amended to read:

§ 1805 DUTIES AND RESPONSIBILITIES

The Vermont Health Benefit Exchange shall have the following duties and responsibilities consistent with the Affordable Care Act:

\* \* \*

~~(C) collecting premium payments made for qualified health benefit plans from employers and individuals on a pretax basis, including collecting~~

~~premium payments from multiple employers of one individual for a single plan covering that individual; and~~

~~(D)~~(C) creating a simplified and uniform system for the administration of health benefits.

\* \* \*

(6) Determining enrollee ~~premiums and~~ subsidies as required by the Secretary of the U.S. Department of the Treasury or of the U.S. Department of Health and Human Services and informing consumers of eligibility for ~~premiums and~~ subsidies, including by providing an electronic calculator to determine the actual cost of coverage after application of any premium tax credit under Section 36B of the Internal Revenue Code of 1986 and any cost-sharing reduction under Section 1402 of the Affordable Care Act.

\* \* \*

Sec. E.311 AGENCY OF HUMAN SERVICES; DESIGNATED AND  
SPECIALIZED SERVICE AGENCIES; WORKFORCE  
DEVELOPMENT

(a) The Agency of Human Services shall distribute the remaining \$1,500,000 appropriated to the Agency to make strategic investments in order to expand the supply of high-quality mental health and substance use disorder treatment professionals in 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. 106.1 to the designated and specialized service agencies equitably based on

each agency's proportion of full-time equivalent (FTE) mental health and substance use disorder treatment staff to the total number of FTE mental health and substance use disorder treatment staff across all designated and specialized service agencies statewide. The designated and specialized service agencies shall use these funds for loan repayment and tuition assistance to promote the recruitment and retention of high-quality mental health and substance use disorder treatment professionals available to Vermont residents in need of their services, as set forth in subsection (b) of this section.

(b)(1) Each designated and specialized service agency shall make the funds received pursuant to subsection (a) of this section available to its current and prospective employees as set forth in subdivisions (A) and (B) of this subdivision (1) on a rolling basis in exchange for a one-year service obligation to provide mental health services or substance use disorder treatment services, or both, at a designated or specialized service agency in this State. The funds may be used for the following purposes:

(A) loan repayment for master's-level clinicians, bachelor's-level direct service staff, and nurses; and

(B) tuition assistance for individuals pursuing degrees to become master's-level clinicians, bachelor's-level direct service staff, and nurses.

(2) Loan repayment and tuition assistance funds shall be available to the current and prospective employees of designated and specialized service

agencies in the form of forgivable loans, with the debt forgiven upon the employee's completion of the required service obligation.

(c) Until the funds have been fully expended, the Agency of Human Services shall provide quarterly reports to the House Committees on Appropriations, on Health Care, and on Human Services; the Senate Committees on Appropriations and on Health and Welfare; and the Health Reform Oversight Committee with information on the following:

(1) the specific designated and specialized service agencies that have received funds to date and the programs within each of those agencies in which the financial assistance recipients will deliver services;

(2) the amount of financial assistance funding provided to each recipient;

(3) the specific degrees or certificates toward which the tuition assistance recipients are working and those earned by loan repayment recipients; and

(4) the number of new employees attracted to the designated and specialized service agencies as a result of the financial assistance, their fields of study, and the programs in which they deliver services.

Sec. E.311.1 18 V.S.A. § 33 is amended to read:

§ 33. UNIVERSITY OF VERMONT COLLEGE OF MEDICINE; MEDICAL STUDENTS; PRIMARY CARE STUDENT INCENTIVE SCHOLARSHIP



(a) The Department of Health, in collaboration with the Office of Primary Care and Area Health Education Centers Program (AHEC) at the University of Vermont College of Medicine (~~AHEC~~) and the Vermont Student Assistance Corporation (VSAC), shall establish a ~~primary care physician scholarship program~~ Medical Student Incentive Scholarship Program at the University of Vermont College of Medicine. The purpose of the Program is to strengthen the primary care workforce pipeline and increase the number of new physicians practicing in Vermont to meet the health care needs of Vermonters, with a focus on rural areas and undersupplied medical specialties. ~~The scholarships shall cover the medical school tuition for up to five third-year and up to five fourth-year medical students annually who commit to practicing primary care in a rural area of this State or in a Vermont federally qualified health center's service area, in a setting or practice not owned by an academic medical center. For each academic year of tuition covered by the scholarship, the recipient shall incur an obligation of two years of full-time service or four years of half-time service. Students receiving a scholarship for their third year of medical school shall be eligible to receive another scholarship for their fourth year of medical school. The amount of each scholarship shall be set at the in-state tuition rate less any other State or federal educational grant assistance the student receives for the same academic year.~~

(b)(1) Scholarships shall be awarded to up to 10 students annually who commit to practicing in a medical specialty priority area, as set forth in subdivision (c)(2) of this section, in a region of Vermont other than Chittenden County, in a practice site that is not owned by an academic medical center and that accepts patients who are covered by Medicaid, Medicare, or other publicly funded health benefit programs.

(2) Students shall be eligible to participate in the Medical Student Incentive Scholarship Program in their third and fourth year of medical school. A student who receives an incentive scholarship for the third year of medical school shall be eligible to receive another incentive scholarship for the fourth year of medical school.

(3) Each incentive scholarship award shall be for an amount not less than the in-state tuition rate for the University of Vermont College of Medicine.

(c)(1) For each academic year of incentive scholarship received, the recipient shall incur a full-time service obligation of not less than one year in a medical specialty priority area and in a setting the meets the requirements of subdivision (b)(1) of this section.

(2) The medical specialty priority area shall be primary care; ~~Approved~~ approved specialties shall be ~~all of the specialties recognized by the National Health Service Corps at the time of the scholarship award, which may include~~

family medicine, internal medicine, adult primary care, pediatrics primary care, obstetrics-gynecology, and psychiatry.

~~(e)(3) A An incentive scholarship recipient who does not fulfill the service obligation commitment to practice primary care in Vermont in accordance with the terms of the award shall be liable for repayment of the full amount of the scholarship, plus interest ~~calculated in accordance with the formula determined by the National Health Service Corps for failure to complete a service obligation under that program~~ and penalty.~~

(d)(1) The Medical Student Incentive Scholarship Program shall be administered in compliance with federal financial aid regulations and the Internal Revenue Code.

(2) Payments shall be made directly to the recipient's University of Vermont student financial services account.

(3) The full terms and conditions of the award shall be described in the award contract or promissory note and shall be binding once the contract or note is fully executed.

(4) AHEC and VSAC shall enter into a memorandum of understanding establishing their respective responsibilities for administering the Medical Student Incentive Scholarship Program. The memorandum of understanding shall be subject to the approval of the Department of Health.

(e)(1) The Commissioner of Health, in consultation with AHEC and VSAC, may establish additional recipient eligibility criteria, selection criteria, award terms and conditions, and evidence-based best practices to meet the purposes of the Medical Student Incentive Scholarship Program on an annual basis to best respond to Vermont’s needs for physician workforce and access to health care.

(2) The Commissioner of Health may adopt rules in accordance with 3 V.S.A. chapter 25 in order to plan, implement, maintain, and evaluate the Medical Student Incentive Scholarship Program established in this section.

Sec. E.311.2 2020 Acts and Resolves No. 155, Sec. 7a is amended to read:

Sec. 7a. SUNSET

18 V.S.A. § 33 (medical students; primary care) is repealed on July 1, ~~2022~~  
2027.

Sec. E.311.3 EDUCATIONAL ASSISTANCE; MEDICAL STUDENT

INCENTIVE SCHOLARSHIP PROGRAM; APPROPRIATION

(a) Of the Global Commitment funds appropriated in Sec. B.311 of this act to the Department of Health, the sum of \$2,272,727 shall be transferred to Vermont Student Assistance Corporation in fiscal year 2022 for use as follows:

(1) \$1,035,957 in Global Commitment funds for scholarships for nursing students in accordance with the provisions set forth in 2020 Acts and Resolves No.155, Sec. 5; and

(2) \$1,236,770 in Global Commitment funds for scholarships for medical students who commit to practicing primary care in this State in accordance with 18 V.S.A. § 33, as amended by this act. The Medical Student Incentive funds shall be available for distribution following approval of the initial memorandum of understanding between the Office of Primary Care and Area Health Education Centers Program at the University of Vermont College of Medicine (AHEC) and the Vermont Student Assistance Corporation (VSAC).

Sec. E.312 HEALTH – PUBLIC HEALTH

(a) AIDS/HIV funding.

(1) In fiscal year 2022, and as provided in this section, the Department of Health shall provide grants in the amount of \$475,000 in AIDS Medication Rebates special funds to the Vermont AIDS service and peer-support organizations for client-based support services. The Department of Health AIDS Program shall meet at least quarterly with the Community Advisory Group (CAG) with current information and data relating to service initiatives. The funds shall be allocated according to an RFP process.

(2) Ryan White Title II funds for AIDS services and the Vermont Medication Assistance Program (VMAP) shall be distributed in accordance with federal guidelines. The federal guidelines shall not apply to programs or services funded solely by State general funds.

(3)(A) The Secretary of Human Services shall immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in VMAP to assist all eligible individuals. The Secretary shall work in collaboration with persons living with HIV/AIDS to develop a plan to continue access to VMAP medications until such time as the General Assembly can take action.

(B) As provided in this section, the Secretary of Human Services shall work in collaboration with the VMAP Advisory Committee, which shall be composed of not less than 50 percent of members who are living with HIV/AIDS. If a modification to the program's eligibility requirements or benefit coverage is considered, the Committee shall make recommendations regarding the program's formulary of approved medication, related laboratory testing, nutritional supplements, and eligibility for the program.

(4) In fiscal year 2022, the Department of Health shall provide grants in the amount of \$100,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for community-based HIV prevention programs and services. These funds shall be used for HIV/AIDS prevention purposes, including syringe exchange programs; improving the availability of confidential and anonymous HIV testing; prevention work with at-risk groups such as women, intravenous drug users, and people of color; and anti-stigma campaigns. Not more than 15 percent of the funds may be used for the administration of such services by

the recipients of these funds. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health and the Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers.

(5) In fiscal year 2022, the Department of Health shall provide grants in the amount of \$150,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for syringe exchange programs. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health, the Vermont AIDS service organizations, and other Vermont HIV/AIDS prevention providers. The performance period for these grants will be State fiscal year 2022. Grant reporting shall include outcomes and results.

(6) In fiscal year 2022, the Department of Health shall not reduce any grants to the Vermont AIDS service and peer-support organizations from funds appropriated for AIDS/HIV services to levels below those in fiscal year 2020 without receiving prior approval from the Joint Fiscal Committee.

#### Sec. E.318 EDUCATIONAL AND EXPERIENTIAL VARIANCE

(a) For individuals operating or employed in a registered family child care home or as a director or teacher associate in a center-based program for 10 or more years prior to September 1, 2016, the Commissioner for Children and Families or designee may issue a variance to the Child Development

Division's rule regarding educational and experiential requirements to allow an individual to maintain employment in that same role regardless of whether the family child care provider, family child care assistant, director, or teacher associate intends to attain the otherwise necessary educational requirements. To be eligible for a variance, the family child care provider, family child care assistant, director, or teacher associate shall:

(1) work continuously in a regulated program with a full license in good standing; and

(2) meet the Division's educational and experiential requirements in place prior to the adoption of the new rule, which was effective beginning on September 1, 2016.

(b) The Commissioner or designee shall review any violation occurring in a regulated program where a family childcare provider, family child care assistant, director, or teacher associate is under variance and may revoke the variance granted by this section depending upon the seriousness and circumstances of the violation.

(c) Any variance granted under this section shall be terminated on July 1, 2024, and extensions shall not be granted beyond that date.

Sec. E.318.1 DEPARTMENT FOR CHILDREN AND FAMILIES;

SPECIALIZED CHILD CARE TRANSPORTATION



(a) It is the intent of the General Assembly that there be no reduction in specialized childcare transportation services provided by the Department for Children and Families resulting from a statewide transportation contract. Should a more cost-effective, coordinated system of specialized child care transportation not be attainable by the move to a statewide contract in fiscal year 2022, the program shall revert to a commensurate base funding level and program parameters that were in place during fiscal year 2021. Any changes to transportation services shall not decrease the expeditious authorization of services to families.

(b) On or before November 1, 2021, the Department for Children and Families shall submit a written report to the House Committees on Appropriations and on Human Services; and the Senate Committees on Appropriations and on Health and Welfare outlining the outcome of the statewide transportation Request for Proposal regarding transportation services. The report shall identify the average number of children served under the Specialized Transportation Services program by region in fiscal year 2021 and the average number of number of children served under the Specialized Transportation Services program by region in July, August, and September 2021.

Sec. E.318.2 CHILD CARE PROVIDER STABILIZATION GRANTS

(a) Of the funds provided in fiscal year 2022 in Sec. B.318 of this act, \$800,000 is allocated for the purpose of expanding infant and toddler child care capacity.

(b) The Division shall award grants to eligible applicants. An eligible applicant shall:

(1) be a new or existing regulated, privately operated center-based childcare program or family child care home in good regulatory standing;

(2) participate in the Child Care Financial Assistance Program (CCFAP);

(3) provide year-round, full day child care and early learning services;

(4) provide childcare and early learning services for infants and toddlers; and

(5) participate in the Step Ahead Recognition System (STARS).

(c) Center-based childcare program or family child care homes receiving a grant pursuant to this section shall remain in compliance with the Division's rules, continue participation in STARS, and maintain enrollment of children supported by CCFAP.

Sec. E.318.3 AMERICAN RESCUE PLAN ACT OF 2021; CHILD CARE

STABILIZATION GRANTS: APPROPRIATION

(a) Of the \$2,600,000 appropriated in Sec. B.318 of this act to the Department for Children and Families Division of Child Development from

the federal funds available under the Child Care Development Block Grant funding received by the State pursuant to the American Rescue Plan Act of 2021, Pub. L. No. 117-2, funds shall be allocated as follows:

(1) \$700,000 shall be allocated for current and prospective early childhood provider scholarships programs;

(2) \$1,800,000 shall be allocated for early childhood student loan repayment; and

(3) \$100,000 shall be transferred to Vermont Department of Labor for the pre-apprenticeship program in Early Childhood Education provided by Vermont Career and Technical Education centers.

(b) Notwithstanding 32 V.S.A. § 5, funds from the American Rescue Plan Act of 2021 Child Care Stabilization Grants Fund shall be deposited into the State Treasury and are hereby accepted and shall be spent subject to appropriation. Excess receipts authority may be granted only in the event that the appropriation in subsection (a) of this section is not sufficient to support childcare providers prior to the fiscal year 2022 budget adjustment process and the funds are used consistent with an approved plan required to be presented to the Joint Fiscal Committee on or before September 1, 2021 in legislation enacted during the 2021 legislative session.

(c) The Department for Children and Families shall consider statewide child care system capacity needs in its use of the Child Care Development

Block Grant funds to expand statewide capacity. The Department shall report in January 2022 to the General Assembly on capacity grants issued to expand existing programs or establish new programs, or both.

Sec. E.321 GENERAL/EMERGENCY ASSISTANCE HOUSING

(a) Funds appropriated to the Department for Children and Families in the General/Emergency Assistance program in fiscal year 2022 shall be used to provide emergency housing in accordance with program rules waived or varied under 2021 Acts and Resolves No, 6, Sec. 1. The purpose of emergency housing is to ensure short-term housing for vulnerable segments of the population experiencing homelessness and housing insecurity to the extent that such housing does not exceed hotel room and motel room capacity within the State and expenditures for such housing do not exceed available State and federal funds. The assistance provided under this section is not an entitlement and may be discontinued upon the expenditure of the appropriated funds.

(b) During the COVID-19 pandemic, the Department for Children and Families temporarily expanded eligibility for emergency housing through the General/Emergency Assistance program in response to the public health emergency. The General Assembly and the Administration acknowledge that this approach is neither financially nor programmatically sustainable. The Commissioner for Children and Families, in consultation with the emergency housing working group established by the House Appropriations Committee,

has identified and shall implement new emergency housing eligibility criteria.  
The new eligibility criteria shall remain in effect for the duration of fiscal year  
2022 unless there is a need to expand eligibility in response to a public health  
emergency or other emergency.

(c) The Commissioner for Children and Families may, by policy, provide  
emergency housing for a limited duration in adverse weather conditions when  
appropriate shelter space is not available.

Sec. E.321.1 HOUSING ASSISTANCE BENEFITS FLEXIBILITY

PROGRAM; COMMUNITY BASED ALTERNATIVES TO  
GENERAL ASSISTANCE EMERGENCY HOUSING

(a) For fiscal year 2022, the Department for Children and Families may  
continue to fund housing assistance programs within the General Assistance  
program to create flexibility to provide General Assistance benefits, as well as  
grants to support the establishment of community-based alternatives for  
temporary housing as part of the effort to reduce the number of individuals  
temporarily housed by the General Assistance program. The purpose of these  
housing assistance programs and community-based alternatives is to mitigate  
poverty and serve applicants more effectively than they are currently being  
served with General Assistance funds. Eligible activities shall include, among  
other things, the provision of shelter, overflow shelter, case management,  
transitional housing, deposits, down payments, rental assistance, upstream

prevention, and related services that ensure that all Vermonters have access to shelter, housing, and the services they need to become safely housed. The Department may award grants to homeless and housing service providers for eligible activities. Where such housing assistance programs and grants are provided and community-based programs are established, the General Assistance rules shall not apply. The assistance provided under this section is not an entitlement and may be discontinued should there not be sufficient funds.

Sec. E.321.2 EMERGENCY HOUSING WORKGROUP

(a) The Department for Children and Families shall continue to use the General Assistance Emergency Housing Workgroup, convened in March 2021, to make recommendations to the Commissioner for Children and Families on the design and implementation of a sustainable, long-term plan for providing emergency housing for fiscal year 2023 that reduces or ends reliance, or both, on the General/Emergency Assistance Motel Voucher Program. This workgroup shall consider investments needed to build local capacity to support emergency housing needs, which may include funding, training, technical assistance, and planning support. The Department for Children and Families and Workgroup shall also consider the Governor’s proposed permanent housing initiative when developing its recommendations.

(b) On or before November 1, 2021, the Department for Children and Families shall submit a written report to 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 with recommendations on the development of a sustainable, long-term plan for emergency housing.

(c) The Department shall continue to engage interested local and statewide parties, including the Continua of Care, service providers, people with lived experience, and representatives of Vermont’s health care system, in the design, implementation, and evaluation of housing assistance programs and community-based alternatives to General/Emergency Assistance emergency housing.

#### Sec. E.321.3 IMPLEMENTATION OF THE REPORT

(a) The Department for Children and Families shall implement the identified sustainable housing plan on July 1, 2022 in line with recommendations made in the November 1, 2021 written report. The Department for Children and Families shall take into consideration steps necessary to ensure an effective and efficient transition that reduces or ends reliance, or both on the General/Emergency Assistance Motel Voucher Program effective June 30, 2022.

Sec. E.323 REACH UP – FISCAL YEAR 2022 ONE-TIME USE OF  
UNDERUTILIZED FUNDS

(a) To the extent that funds appropriated to the Reach Up program in fiscal year 2022 are not encumbered or expended, or both, in fiscal year 2022, funds shall carry forward and be used for a one-time payment to participating families in fiscal year 2023. The Department for Children and Families shall report to the Joint Fiscal Committee at its September 2022 meeting on the status of funds available and timing of one-time payments to participating families.

E.323.1 33 V.S.A. § 1103 is amended to read:

§ 1103. ELIGIBILITY AND BENEFIT LEVELS

\* \* \*

(c) The Commissioner shall adopt rules for the determination of eligibility for the Reach Up program and benefit levels for all participating families that include the following provisions:

\* \* \*

~~(9) The amount of \$77.00 of the Supplemental Security Income payment received by a parent excluding payments received on behalf of a child shall count toward the determination of the amount of the family's financial assistance grant. [Repealed.]~~



\* \* \*

Sec. E.324 EXPEDITED CRISIS FUEL ASSISTANCE

(a) The Commissioner for Children and Families or designee may authorize crisis fuel assistance to those income-eligible households that have applied for an expedited seasonal fuel benefit but have not yet received it if the benefit cannot be executed in time to prevent them from running out of fuel. The crisis fuel grants authorized pursuant to this section count toward the one crisis fuel grant allowed per household for the winter heating season pursuant to 33 V.S.A. § 2609(b).

Sec. E.324.1 INTENT; AMERICAN RESCUE PLAN ACT; LOW

INCOME HOME ENERGY ASSISTANCE PROGRAM  
FUNDS

(a) It is the intent of the General Assembly that 15 percent of the funds received by the Department for Children and Families pursuant to the American Rescue Plan Act for the Low Income Home Energy Assistance Program be used to support the Home Weatherization Program and that \$5,000,000 be used for heating system or tank replacement initiatives. Cold climate heat pumps, where appropriate, shall be included as a fundable item in the weatherization allocation.

Sec. E.325 DEPARTMENT FOR CHILDREN AND FAMILIES – OFFICE

OF ECONOMIC OPPORTUNITY

(a) Of the General Fund appropriation in Sec. B.325 of this act, \$6,699,440 shall be granted to community agencies for homeless assistance by preserving existing services, increasing services, or increasing resources available statewide. These funds may be granted alone or in conjunction with federal Emergency Solutions Grants funds. Funds shall be administered in consultation with the Vermont Coalition to End Homelessness.

Sec. E.326 DEPARTMENT FOR CHILDREN AND FAMILIES – OFFICE

OF ECONOMIC OPPORTUNITY – WEATHERIZATION

ASSISTANCE

(a) Of the Special Fund appropriation in Sec. B.326 of this act, \$750,000 is for the replacement and repair of home heating equipment.

Sec. E.327 REPEAL

33 V.S.A. chapter 58 (Woodside Juvenile Rehabilitation Center) is repealed.

Sec. E.335 CORRECTIONS APPROPRIATIONS; UNEXPENDED FUNDS

TRANSFER; JUSTICE REINVESTMENT; REPORT

(a) In fiscal year 2022, the Secretary of Administration may, upon recommendation of the Secretary of Human Services, transfer unexpended funds between the respective appropriations for correctional services; provided, however, that no transfer shall be made from correctional services

out-of-state beds. At least three days prior to any such transfer being made, the Secretary of Administration shall report the intended transfer to the Joint Fiscal Office and shall report any completed transfers to the Joint Fiscal Committee at its next scheduled meeting.

(b) In fiscal year 2022, any unexpended funds for correctional services out-of-state beds shall be carried forward to fiscal year 2023, and the amount reported to the Joint Legislative Justice Oversight Committee in September 2022, to support community-based service programs. Funds may only be expended on community-based service programs upon approval of the Joint Legislative Justice Oversight Committee. Prior to approval, the House Committees on Appropriations and on Corrections and Institutions and the Senate Committees on Appropriations and on Judiciary shall be notified of any proposed expenditures on community based service programs.

Sec. E.335.1 CORRECTIONAL OFFICERS; BODY-WORN CAMERA  
POLICY AND DEPLOYMENT

(a) Deployment. The Department of Corrections shall not deploy body-worn cameras until it adopts a policy on their use, including the storage and retention of records, and trains its staff in accordance with the policy.

(b) Policy development. In developing the policy as required by this section, the Department shall:

(1) consider the implications of:

(A) the offender programming it provides; and

(B) the collective bargaining agreement it operates under; and

(2) consult with the Vermont Criminal Justice Council, the America Civil Liberties Union, the Prisoner’s Rights Office, the Human Rights Commission, the Vermont State Employees’ Association, statewide groups representing individuals with lived experience of incarceration, and any other stakeholder group as determined by the Department.

(c) Reports.

(1) The Department shall provide a progress report to the Joint Legislative Justice Oversight Committee on or before September 15, 2021 on the status of the policy development.

(2) On or before January 15, 2022, the Department shall present to the House Committee on Corrections and Institutions, the Senate Committee on Judiciary, and the House and Senate Committees on Government Operations its policy regarding the use of body-worn cameras for correctional officers.

(d) Funding. The Department shall identify the ongoing cost and funding source for the use of body-worn cameras, including training, data storage, and redaction, and report these findings to the Joint Fiscal and the Joint Legislative Justice Oversight Committees on or before September 15, 2021. The Department shall provide a report to the House and Senate Committees on

Appropriations on or before February 15, 2022 on the status of its deployment of body-worn cameras for correctional officers.

Sec. E.337 [Deleted]

Sec. E.338 CORRECTIONS - CORRECTIONAL SERVICES

(a) Notwithstanding 32 V.S.A. § 3709(a), the special funds appropriation in Sec. B.338 in the amount of \$152,000 for the supplemental facility payments to Newport and Springfield shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

\* \* \* K-12 Education \* \* \*

Sec. E.500 Education – finance and administration

(a) The Global Commitment funds appropriated in Sec. B.500 of this act shall be used for physician claims for determining medical necessity of Individualized Education Programs (IEPs). These services are intended to increase access to quality health care for uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.501 AGENCY OF EDUCATION; PANDEMIC RESPONSE AND  
RECOVERY; APPROPRIATION OF ESSER I, II, AND III  
FUNDS

(a) Purpose. The purpose of Secs. E 501.1 – 501.3 of this act is to appropriate or allocate federal Elementary and Secondary School Emergency Relief (ESSER) funds, to the extent permitted by federal law and guidance, to

respond to the COVID-19 pandemic and strategically plan to support Vermont's learning communities as the State moves into a recovery phase.

Sec. E.501.1 RETROCATIVE AUTHORIZATION AND APPROPRIATION  
OF ESSER I FUNDS

(a) ESSER I funds. The following sums are appropriated to the Agency of Education in fiscal year 2021 from the ESSER funds provided to the State pursuant to Section 18003 of Division B of the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116–136 (CARES Act); a portion of the funds may be expended in fiscal year 2020 consistent with the terms of the grant acceptance, and any unexpended amounts may be carried forward to fiscal years 2022 and after:

(1) \$953,021 for software tools to assist with the response to the COVID-19 pandemic;

(2) \$2,006,074 for learning management assistance, including remote learning supports and materials; and

(3) \$155,741 for administrative and personnel costs.

Sec. E.501.2 ALLOCATION OF ESSER II AND ESSER III FUNDS

(a) ESSER II funds. Of the federal funds appropriated in Sec. B.501 of this act, \$5,197,336 is from the ESSER funds provided to the State pursuant to Section 313 of the Coronavirus Response and Relief Supplemental

Appropriations Act, 2021, Pub. L. No. 116–260 and shall be allocated as follows:

- (1) \$4,434,969 for grants to summer and afterschool programs; and
- (2) \$634,867 for administrative and personnel costs.

(b) ESSER III funds. The federal funds appropriated in Sec. B.501 of this act, shall be allocated as follows:

(1) \$1,000,000 from the ESSER funds provided to the State pursuant to Sec. 2001(f) of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 to address emerging State-level needs; and

(2) \$1,425,821 from the ESSER funds provided to the State pursuant to Sec. 2001(f)(4) of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 for administrative and personnel costs.

(c) ESSER funds appropriated in Sec. B.501 of this act may be carried forward to future fiscal years if unexpended in fiscal year 2022.

Sec. E.501.3 AGENCY OF EDUCATION; ESSER III FUND PLAN;

#### CONTINGENT APPROPRIATIONS

(a) The Agency of Education shall develop a plan for the expenditure of the ESSER funds made available to the State pursuant to Section 2001 of the American Rescue Plan Act (ARPA), as required by the U.S. Department of Education’s interim final rule published April 22, 2021. On or before July 31, 2021, the Secretary of Education shall submit the proposed plan to the House

and Senate Committees on Education for their review prior to submitting the plan to the U.S. Department of Education.

(b)(1) The following sums are appropriated from the ESSER III funds to the Agency of Education in fiscal year 2022, from which the Agency may make expenditures subject to the approval of each proposed expenditure by the Joint Fiscal Committee and the Chairs of the House and Senate Committees on Education at one or more meetings of the Joint Fiscal Committee held prior to January 5, 2022:

(A) \$3,000,000 for regional capacity grants to address students' social, emotional, and mental health needs;

(B) \$3,000,000 to address academic needs related to remote learning and supports, including addressing student loss, supporting student engagement, and providing learning enrichment opportunities; and

(C) \$1,000,000 for educator workforce development.

(2) To the extent that the funds appropriated in this subsection are not fully obligated or expended by January 5, 2022, the remainder shall be held for appropriation during the 2022 legislative session.

Sec. E.502 Education – special education; formula grants

(a) Of the appropriation authorized in Sec. B.502 of this act and notwithstanding any other provision of law, an amount not to exceed \$3,966,265 shall be used by the Agency of Education in fiscal year 2022 as



funding for 16 V.S.A. § 2967(b)(2)–(6). In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

Sec. E.503 Education – State-placed students

(a) The Independence Place Program of the Lund Family Center shall be considered a 24-hour residential program for the purposes of reimbursement of education costs.

Sec. E.504.1 Education – flexible pathways

(a) Of the appropriation in Sec. B.504 of this act, \$2,100,000 from the Education Fund shall be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 943(c).

(b) Notwithstanding 16 V.S.A. § 4025(b), of this Education Fund appropriation, the amount of:

(1) \$921,500 is available for dual enrollment programs, notwithstanding 16 V.S.A. § 944(f)(2);

(2) \$1,800,000 is available to support the Vermont Virtual High School;

(3) \$400,000 is available for secondary school reform grants;

(4) \$500,000 is available for the Vermont Academy of Science and Technology; and

(5) \$2,500,000 is available for Early College pursuant to 16 V.S.A. § 4011(e).

(c) Of the appropriation in Sec. B.504.1, \$921,500 from the General Fund is available for dual enrollment programs.

Sec. E.514 State teachers' retirement system

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the State Teachers' Retirement System (STRS) shall be \$196,206,504 of which \$189,646,629 shall be the State's contribution and \$6,559,875 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$38,901,533 is the "normal contribution," and \$157,304,971 is the "accrued liability contribution."

Sec. E.515 RETIRED TEACHERS' HEALTH CARE AND MEDICAL  
BENEFITS

(a) In accordance with 16 V.S.A. § 1944b(b)(2), \$35,093,844 shall be contributed to the Retired Teachers' Health and Medical Benefits plan.

Sec. E.515.1 [Deleted.]

Sec. E.515.2 [Deleted.]

Sec. E.515.3 REPORT ON NORMAL COSTS AND OTHER

CHARGES TO BE PART OF SCHOOL BUDGETS.

(a) On or before January 15, 2022, the Treasurer shall submit a report to the General Assembly on the following:

(1) the feasibility of moving the normal costs expenses from the Education Fund to local education agencies.

(2) assessing federal grants for the normal costs of these benefits in a manner currently charged for teacher pensions whose funding is provided from federal grants or through federal reimbursement pursuant to § 1944c.

(3) reimbursement for employer health care benefits through the Elementary and Secondary School Emergency Relief Fund.

\* \* \* Higher Education \* \* \*

Sec. E.600 University of Vermont

(a) The Commissioner of Finance and Management shall issue warrants to pay 1/12 of the appropriation in Sec. B.600 of this act to the University of Vermont on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$380,326 shall be transferred to EPSCoR (Experimental Program to Stimulate Competitive Research) for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.602 Vermont State Colleges

(a) The Commissioner of Finance and Management shall issue warrants to pay 1/12 of the appropriation in Sec. B.602 of this act to the Vermont State Colleges on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$427,898 shall be transferred to the Vermont Manufacturing Extension Center for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.602.1. 16 V.S.A. § 2187 is added to read:

§ 2187 PROPERTY TRANSACTIONS

Any sale, lease, demolition, or disposal of property by the Vermont State Colleges Corporation shall comply with the requirements of 32 V.S.A. § 962.

Sec. E.602.2 VERMONT STATE COLLEGES

(a) The Vermont State College (VSC) system shall transform itself into a fully integrated system that achieves financial stability in a responsible and sustainable way in order to meet each of these strategic priorities:

(1) Affordability. Ensure that student costs and debt obligations are not barriers to student access.

(2) Accessibility. Ensure that each VSC student, regardless of where the student's home campus is located, has increased access to academic opportunities, majors and courses across the statewide system.

(3) Relevance.

(A) Ensure that each VSC student is prepared for a lifelong career and personal success in the globally-competitive 21st century.

(B) Ensure that VSC offers educational programs that are:

(i) aligned with State workforce needs;  
(ii) offered in a fiscally responsible manner; and  
(iii) delivered in a manner that is relevant to current student and employer needs.

(b) VSC shall meet the following requirements during the transformation of its system required under subsection (a) of this section and shall accommodate the oversight of the General Assembly in so doing.

(1) VSC shall reduce its structural deficit by \$5,000,000 per year for five years through a combination of annual operating expense reductions and increased enrollment revenues, for a total of \$25,000,000 by the end of fiscal year 2026. These reductions shall be structural in nature and shall not be met by use of one-time funds. The VSC Board of Trustees, through the Chancellor or designee, shall report the results of these structural reductions to the House and Senate Committees on Education and on Appropriations annually during the Chancellor's budget presentation.

(2) The VSC Board of Trustees shall develop and implement a 10-year strategic plan for managing its physical assets that is fiscally sustainable, maintains reasonable net asset value, and meets the needs of Vermont learners. On or before March 1, 2022, the Chancellor shall present this Board approved plan to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

(3) VSC shall maintain its present campus locations as educational and student-support centers, recognizing that overall campus size, governance and operational structures as well as program and service offerings may change as circumstances require.

(4) Beginning in fiscal year 2022 and through 2031, the VSC Board of Trustees, acting through the Chancellor or designee, shall brief, as part of the Chancellor's annual budget proposal, the House and Senate Committees on Education and Committees Appropriations:

(A) enrollment levels in courses offered by VSC, reported on the basis of courses with fewer than five students, courses with five to nine students, courses with 10 to 14 students, and courses with 15 or more students, along with relevant information about these enrollment data;

(B) in order to demonstrate accessibility, the percentage of courses and programs offered by VSC on a statewide basis and on the formats in which they are offered;

(C) an assessment of affordability and accessibility within VSC and recommendations on how to improve them;

(D) retention statistics with corresponding trend lines and benchmarks;

(E) enrollment statistics with methods of comparison using readily available metrics that pertain to the student enrollment efforts authorized by

the fiscal year 2022 Vermont budget bill with the net student revenue generated and discount rate applied in order to enroll the students, aggregated by cohort; and

(F) demographics of student enrollments aggregated by full-time and part-time students.

(5) To help optimize student opportunities, VSC shall complete implementation of seamless general education credit transfer between all of its constituent institutions by the end of fiscal year 2023.

(6) To ensure that VSC is meeting its responsibilities to Vermont businesses and communities, beginning in fiscal year 2022, the VSC Board of Trustees, through the Chancellor or designee, shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs, as part of the Chancellor's annual budget presentation, on advances in workforce readiness and meeting employer needs, including:

(A) employer and institutional partnerships with VSC;

(B) progress in meeting critical employer needs; and

(C) the number of degrees and credentials of value awarded.

(7) The VSC Board of Trustees, through the Chancellor or designee, shall provide, in a summary form, to the House and Senate Committees on Education and the House and Senate Committees on Appropriations, as part of

the Chancellor's annual budget presentation, VSC's profit and loss statement based upon its annual October financial statement.

(8) The Chancellor shall ensure all VSC Board of Trustees policies are adhered to unless a process for an exception to a Board policy is used to situationally and temporarily amend a specific Board policy. The Chancellor shall establish policies and procedures to implement the Board approved transformation plan as developed by the Select Committee on Higher Education. The Chancellor shall report the status or progress of these Board policies, as part of the Chancellor's annual budget presentation, to the House and Senate Committees on Education.

(9) The Chancellor shall report by institution the overall net student revenue and institutional discounting of tuition metrics with relevant trends.

(10) Regarding the deficit reduction plan, the Chancellor shall report the activities that have generated expense cuts, and activities that will result in enhanced revenues, as well as future plans that will continue both efforts. The Chancellor, on behalf of the Vermont State College System, shall offer methods of comparison using readily available metrics in order to provide relevant information to help the General Assembly carry out its oversight role.

Sec. E.603 Vermont State Colleges – Allied Health



(a) If Global Commitment fund monies are unavailable, the total grant funding for the Vermont State Colleges shall be maintained through the General Fund or other State funding sources.

(b) The Vermont State Colleges shall use the Global Commitment funds appropriated in Sec. B.603 of this act to support the dental hygiene, respiratory therapy, and nursing programs that graduate approximately 315 health care providers annually. These graduates deliver direct, high-quality health care services to Medicaid beneficiaries or uninsured or underinsured persons.

Sec. E.605 Vermont student assistance corporation

(a) Of the appropriation in B.605 of this act, \$25,000 is appropriated from the General Fund to the Vermont Student Assistance Corporation (VSAC) to be deposited into the Trust Fund established in 16 V.S.A. § 2845.

(b) Of the appropriated amount remaining after accounting for subsection (a) of this section, not less than 93 percent of this appropriation shall be used for direct student aid.

(c) Of the total one-time funds appropriated in this act to VSAC, an amount up to six percent, but not to exceed \$100,000 in a fiscal year, may be used for staff expenses associated with administering the funds. Funds shall not be used for indirect costs.

Sec. E.605.1 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND  
EARLY COLLEGE STUDENTS

(a) Notwithstanding 16 V.S.A. § 4025(b), the sum of \$41,225 in education funds and \$41,225 in general funds is appropriated to the Vermont Student Assistance Corporation (VSAC) for dual enrollment and need-based stipend purposes to fund a flat-rate, need-based stipend or voucher program for financially needy students enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early college pursuant to 16 V.S.A. § 946 to be used for the purchase of books, cost of transportation, and payment of fees. VSAC shall establish the criteria for program eligibility. Funds shall be granted to eligible students on a first-come, first-served basis until funds are depleted.

(b) VSAC shall report on the program to the House Committees on Appropriations and on Commerce and Economic Development and to the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs on or before January 15, 2022.

Sec. E.709 10 V.S.A. § 1283 is amended to read:

§ 1283. CONTINGENCY FUND

\* \* \*

(b) Disbursements under this subsection may be made for emergency purposes or to respond to other than emergency situations; provided, however, that disbursements in response to an individual situation that is not an emergency situation shall not exceed ~~\$100,000.00 for costs~~

~~attributable to each of the subdivisions of this subsection~~ \$350,000.00 for a response to a release of a hazardous material, unless the Secretary has received the approval of the General Assembly, or the Joint Fiscal Committee, in case the General Assembly is not in session. Furthermore, the balance in the Fund shall not be drawn below the amount of \$100,000.00, except in emergency situations. If the balance of the Fund becomes insufficient to allow a proper response to one or more emergencies that have occurred, the Secretary shall appear before the Emergency Board, as soon as possible, and shall request that necessary funds be provided. Within these limitations, disbursements from the Fund may be made:

\* \* \*

Sec. E.709.1 ENVIRONMENTAL CONTINGENCY FUND;

POLYCHLORINATED BIPHENYLS (PCBs) TESTING IN  
SCHOOLS

(a) Notwithstanding 10 V.S.A. § 1283, of the funds transferred in Sec. D.101(a) of this act to the Environmental Contingency Fund, the Department of Environmental Conservation, in consultation with the Department of Health and the Agency of Education, shall use up to \$4,500,000 to complete air indoor quality testing for Polychlorinated Biphenyls (PCBs) in public schools and approved and recognized independent schools that were constructed or renovated before 1980. All schools subject to this subsection

shall test for PCBs on or before July 1, 2024. It is the intent of the General Assembly to develop additional guidance during the 2022 legislative session.

Sec. E.709.2 10 V.S.A. § 1283(g)(3) is amended to read:

(3) “Release” means any intentional or unintentional action or omission resulting in the spilling, leaking, pumping, pouring, emitting, emptying, dumping, or disposing of hazardous materials into the surface or groundwaters, or onto the lands in the State, or into waters outside the jurisdiction of the State when damage may result to the public health, lands, waters, or natural resources within the jurisdiction of the State. “Release” also means the intentional or unintentional action or omission resulting in the spilling, leaking, emission, or disposal of polychlorinated biphenyls (PCBs) from building materials in a building or structure.

Sec. E.709.3 10 V.S.A. § 6602(17) is amended to read:

(17) “Release” means any intentional or unintentional action or omission resulting in the spilling, leaking, pumping, pouring, emitting, emptying, dumping, or disposing of hazardous materials into the surface or groundwaters, or onto the lands in the State, or into waters outside the jurisdiction of the State when damage may result to the public health, lands, waters, or natural resources within the jurisdiction of the State. “Release” also means the intentional or unintentional action or omission resulting in the

spilling, leaking, emission, or disposal of polychlorinated biphenyls (PCBs) from building materials in a building or structure.

\* \* \* Vermont Housing Finance Agency; Weatherization \* \* \*

Sec. E.802 10 V.S.A. § 621 is amended to read:

§ 621. GENERAL POWERS AND DUTIES

The Agency shall have all of the powers necessary and convenient to carry out and effectuate the purposes and provisions of this chapter, including those general powers provided a business corporation by 11A V.S.A. § 3.02 and those general powers provided a nonprofit corporation by 11B V.S.A. § 3.02 and including, without limiting the generality of the foregoing, the power to:

\* \* \*

(22) issue bonds, notes, and other obligations secured by the property transfer tax revenues transferred to the Agency pursuant to 32 V.S.A. §9610(d); and

(23) develop a program to finance and promote housing weatherization using funds appropriated by the State, funds generated through issuing bonds, notes and other obligations of the Agency, and funds from other sources obtained through grants or other arrangements, giving priority to programs benefiting persons and families at or below 120 percent of median income with high energy burdens and to programs to expand the pool of qualified weatherization contractors in the State.

\* \* \* Transportation \* \* \*

Sec. E.900 NOTIFICATION OF USE OF AMERICAN RESCUE PLAN  
ACT (ARPA) FUNDS BY THE VERMONT AGENCY OF  
TRANSPORTATION

(a) The Secretary of the Agency of Transportation shall provide a written report to the Joint Fiscal Committee prior to utilizing ARPA funds in place of funds appropriated in the fiscal year 2022 budget. The written report is for informational purposes and will not require Joint Fiscal Committee approval. If the substitutions are included in the Administration's recommended fiscal year 2022 Budget Adjustment bill, a separate written report of these substitutions shall be submitted to the House and Senate Committees on Appropriations as part of the testimony on the budget adjustment.

Sec. E.915 TRANSPORTATION – TOWN HIGHWAY AID PROGRAM

(a) The total appropriation in Secs. B.915 and B.1104(a)(1)(B) of this act is authorized, notwithstanding the provisions of 19 V.S.A § 306(a).

\* \* \* Collective Bargaining Agreements; Fiscal Year 2022 \* \* \*

Sec. F.100 COLLECTIVE BARGAINING AGREEMENTS; FISCAL YEAR  
2022

(a) This act fully funds the collective bargaining agreements between the State and the Vermont State Employees' Association and the State and

the Vermont Troopers' Association for the period of July 1, 2021 through June 30, 2022. These collective bargaining agreements provide in fiscal year 2022 an average 1.9 percent step increase and 2.25 percent across-the-board increase for a total of 4.15 percent increase.

\* \* \* Executive Branch; Exempt Employees; Fiscal Year 2022 \* \* \*

Sec. F.101 EXECUTIVE BRANCH; EXEMPT EMPLOYEES;

PERMITTED SALARY INCREASES; FISCAL YEAR 2022

(a) Exempt employees in the Executive Branch may receive salary increases not to exceed the average rate of adjustment available to classified employees, which is 4.15 percent, in fiscal year 2022 beginning on July 4, 2021.

(b) The permitted increases set forth in subsection (a) of this section are consistent with the collective bargaining agreement between the State and the Vermont State Employees' Association for classified employees in the Executive Branch for fiscal year 2022.

Sec. F.102 EXECUTIVE BRANCH; EXEMPT AGENCY AND

DEPARTMENT HEADS, DEPUTIES, AND EXECUTIVE  
ASSISTANTS; ANNUAL SALARY ADJUSTMENT AND  
SPECIAL SALARY INCREASE OR BONUS

(a) For purposes of determining annual salary adjustments, special salary increases, and bonuses under 32 V.S.A. §§ 1003(b) and 1020(b), "the average

rate of adjustment available to classified employees under the collective bargaining agreement” shall be, in fiscal year 2022, 4.15 percent.

Sec. F.103 32 V.S.A. § 1020 is amended to read:

§ 1020. SALARY ADJUSTMENT; APPROVAL OF GOVERNOR

(a) Compensation to be paid any officer or employee within the Executive Branch of State government shall be determined at the time the officer or employee is hired by the Governor or such person as the Governor shall designate, subject to any applicable statutory limits, other than:

(1) an employee in the classified service;

(2) a member of the uniformed State Police within the Department of Public Safety; or

(3) an officer or employee whose compensation is specifically fixed by statute, ~~shall be determined at the time the officer or employee is hired by the Governor or such person as the Governor shall designate subject to any applicable statutory limits.~~

(b)(1) Annually, subject to any applicable statutory salary limits, the Governor may grant annual salary adjustments to exempt employees who are deputies or executive assistants to department heads or are deputies or executive assistants to agency secretaries. The annual salary adjustment granted to any officer under this subsection shall not exceed the average of



~~the total~~ rate of adjustment available to classified employees under the collective bargaining agreement then in effect.

(2) In addition to the annual salary adjustment specified in this subsection, the Governor may grant a special salary increase or a bonus to any such officer whose job duties have significantly increased, or whose contributions to the State in the preceding year are deemed especially significant. Special salary increases or bonuses granted to any individual shall not exceed the average ~~of the total~~ rate of adjustment available to classified employees under the collective bargaining agreement then in effect.

(c)(1) The Governor may establish one or more compensation plans for other exempt employees ~~which that~~ provide for adjustments in salary based on changes in the duties performed, seniority, or other objective factors ~~which that~~ the ~~governor~~ Governor finds to be appropriate.

(2) The Governor may extend to such employees any adjustments to compensation not to exceed those available to classified employees provided under the collective bargaining agreement then in effect.

\* \* \* Executive Branch; Miscellaneous Statutory Salaries;

Fiscal Year 2022 \* \* \*

Sec. F.104 32 V.S.A. § 1003 is amended to read:

§ 1003. STATE OFFICERS

(a) Each elective officer of the Executive Department is entitled to an annual salary as follows:

	<del>Annual</del>	Annual	<u>Annual</u>
	<del>Salary</del>	Salary	<u>Salary</u>
	<del>as of</del>	as of	<u>as of</u>
	<del>July 7,</del>	January 5,	<u>July 4,</u>
	<del>2019</del>	2020	<u>2021</u>
Governor	<del>\$181,661</del>	\$184,113	<u>\$191,754</u>
Lieutenant Governor	<del>77,112</del>	78,153	<u>81,396</u>
Secretary of State	<del>115,190</del>	116,745	<u>121,590</u>
State Treasurer	<del>115,190</del>	116,745	<u>121,590</u>
Auditor of Accounts	<del>115,190</del>	116,745	<u>121,590</u>
Attorney General	<del>137,898</del>	139,790	<u>145,591</u>

(b) The Governor may appoint each officer of the Executive Branch listed in this subsection at a starting salary ranging from the base salary stated for that position to a salary that does not exceed the maximum salary unless otherwise authorized by this subsection. The maximum salary for each appointive officer shall be 50 percent above the base salary. Annually, the Governor may grant to each of those officers an annual salary adjustment subject to the maximum salary. The annual salary adjustment granted to officers under this subsection shall not exceed the average of the

~~total~~ rate of adjustment available to classified employees under the collective bargaining agreement then in effect. In addition to the annual salary adjustment specified in this subsection, the Governor may grant a special salary increase subject to the maximum salary, or a bonus, to any officer listed in this subsection whose job duties have significantly increased, or whose contributions to the State in the preceding year are deemed especially significant. Special salary increases or bonuses granted to any individual shall not exceed the average ~~of the total~~ rate of adjustment available to classified employees under the collective bargaining agreement then in effect.

(1) Heads of the following Departments and Agencies:

	<del>Base</del>	Base	<u>Base</u>
	<del>Salary</del>	Salary	<u>Salary</u>
	<del>as of</del>	as of	<u>as of</u>
	<del>July 7,</del>	January 5,	<u>July 4,</u>
	<del>2019</del>	2020	<u>2021</u>
(A) Administration	<del>\$109,849</del>	\$111,332	<u>\$115,952</u>
(B) Agriculture, Food and Markets	<del>109,849</del>	111,332	<u>115,952</u>
(C) Financial Regulation	<del>102,693</del>	104,079	<u>108,398</u>
(D) Buildings and General Services	<del>102,693</del>	104,079	<u>108,398</u>
(E) Children and Families	<del>102,693</del>	104,079	<u>108,398</u>
(F) Commerce and Community			

Development	<del>109,849</del>	111,332	<u>115,952</u>
(G) Corrections	<del>102,693</del>	104,079	<u>108,398</u>
(H) Defender General	<del>102,693</del>	104,079	<u>108,398</u>
(I) Disabilities, Aging, and Independent Living	<del>102,693</del>	104,079	<u>108,398</u>
(J) Economic Development	<del>93,155</del>	94,413	<u>98,331</u>
(K) Education	<del>109,849</del>	111,332	<u>115,952</u>
(L) Environmental Conservation	<del>102,693</del>	104,079	<u>108,398</u>
(M) Finance and Management	<del>102,693</del>	104,079	<u>108,398</u>
(N) Fish and Wildlife	<del>93,155</del>	94,413	<u>98,331</u>
(O) Forests, Parks and Recreation	<del>93,155</del>	94,413	<u>98,331</u>
(P) Health	<del>102,693</del>	104,079	<u>108,398</u>
(Q) Housing and Community Development	<del>93,155</del>	94,413	<u>98,331</u>
(R) Human Resources	<del>102,693</del>	104,079	<u>108,398</u>
(S) Human Services	<del>109,849</del>	111,332	<u>115,952</u>
(T) Digital Services	<del>109,849</del>	111,332	<u>115,952</u>
(U) Labor	<del>102,693</del>	104,079	<u>108,398</u>
(V) Libraries	<del>93,155</del>	94,413	<u>98,331</u>
(W) Liquor and Lottery	<del>93,155</del>	94,413	<u>98,331</u>
(X) [Repealed.]			

(Y) Mental Health	<del>102,693</del>	104,079	<u>108,398</u>
(Z) Military	<del>102,693</del>	104,079	<u>108,398</u>
(AA) Motor Vehicles	<del>93,155</del>	94,413	<u>98,331</u>
(BB) Natural Resources	<del>109,849</del>	111,332	<u>115,952</u>
(CC) Natural Resources Board			
Chair	<del>93,155</del>	94,413	<u>98,331</u>
(DD) Public Safety	<del>102,693</del>	104,079	<u>108,398</u>
(EE) Public Service	<del>102,693</del>	104,079	<u>108,398</u>
(FF) Taxes	<del>102,693</del>	104,079	<u>108,398</u>
(GG) Tourism and Marketing	<del>93,155</del>	94,413	<u>98,331</u>
(HH) Transportation	<del>109,849</del>	111,332	<u>115,952</u>
(II) Vermont Health Access	<del>102,693</del>	104,079	<u>108,398</u>
(JJ) Veterans' Home	<del>102,693</del>	104,079	<u>108,398</u>

(2) The Secretary of Administration may include the Director of the Office of Professional Regulation in any pay plans that may be established under the authority of subsection 1020(c) of this title, provided the minimum hiring rate does not fall below a base salary, as of ~~July 7, 2019 of \$78,975.00~~ and as of January 5, 2020 of \$80,041.00 and as of July 4, 2021 of \$83,363.00.

(3) If the Chair of the Natural Resources Board is employed on less than a full-time basis, the hiring and salary maximums for that position shall be reduced proportionately.

(4) When a permanent employee is appointed to an exempt position, the Governor may authorize such employee to retain the present salary even though it is in excess of any salary maximum provided in statute.

\* \* \*

(d) Notwithstanding the maximum salary established in subsection (b) of this section, the Defender General shall not receive compensation in excess of the compensation established for the Attorney General in this section.

(e) Notwithstanding the maximum salary established in subsection (b) of this section, the maximum salary for the Commissioner of Health ~~may~~ shall not exceed \$150,000.00.

\* \* \* Judicial Branch; Statutory Salaries; Fiscal Year 2022 \* \* \*

Sec. F.105 32 V.S.A. § 1003(c) is amended to read:

(c) The officers of the Judicial Branch named below shall be entitled to annual salaries as follows:

<del>Annual</del>	Annual	<u>Annual</u>
<del>Salary</del>	Salary	<u>Salary</u>
<del>as of</del>	as of	<u>as of</u>
<del>July 7,</del>	January 5,	<u>July 4,</u>
<del>2019</del>	2020	<u>2021</u>

(1) Chief Justice of Supreme Court	<del>\$174,843</del>	\$177,203	<u>\$184,557</u>
(2) Each Associate Justice	<del>66,868</del>	169,121	<u>176,140</u>
(3) Administrative <del>judge</del> <u>Judge</u>	<del>166,868</del>	169,121	<u>176,140</u>
(4) Each Superior judge	<del>158,635</del>	160,777	<u>167,449</u>
(5) [Repealed.]			
(6) Each magistrate	<del>119,609</del>	121,224	<u>126,255</u>
(7) Each Judicial Bureau hearing Officer	<del>119,609</del>	121,224	<u>126,255</u>

Sec. F.106 32 V.S.A. § 1141 is amended to read:

§ 1141. ASSISTANT JUDGES

(a)(1) Each assistant judge of the Superior Court shall be entitled to receive compensation in the amount of ~~\$183.38 a day as of July 7, 2019~~ and \$185.86 a day as of January 5, 2020 and \$193.57 a day as of July 4, 2021 for time spent in the performance of official duties and necessary expenses as allowed to classified State employees. Compensation under this section shall be based on a two-hour minimum and hourly thereafter.

(2)(A) The compensation paid to an assistant judge pursuant to this section shall be paid by the State except as provided in subdivision (B) of this subdivision (2).

(B) The compensation paid to an assistant judge pursuant to this section shall be paid by the county at the State rate established in subdivision (a)(1) of this section when an assistant judge is sitting with a presiding Superior judge in the Civil or Family Division of the Superior Court.

(b) Assistant judges of the Superior Court shall be entitled to receive pay for such days as they attend court when it is in actual session, or during a court recess when engaged in the special performance of official duties.

Sec. F.107 32 V.S.A. § 1142 is amended to read:

§ 1142. PROBATE JUDGES

(a) The Probate judges in the several Probate Districts shall be entitled to receive the following annual salaries, which shall be paid by the State in lieu of all fees or other compensation:

	<del>Annual Salary</del>	Annual Salary	<u>Annual Salary</u>
	<del>as of</del>	as of	<u>as of</u>
	<del>July 7, 2019</del>	January 5, 2020	<u>July 4, 2021</u>
(1) Addison	<del>\$62,540</del>	\$63,384	<u>\$66,014</u>
(2) Bennington	<del>79,060</del>	80,127	<u>83,452</u>
(3) Caledonia	<del>55,461</del>	56,210	<u>58,543</u>
(4) Chittenden	<del>131,939</del>	133,720	<u>139,269</u>
(5) Essex	<del>15,494</del>	15,703	<u>16,355</u>



(6) Franklin	<del>62,540</del>	63,384	<u>66,014</u>
(7) Grand Isle	<del>15,494</del>	15,703	<u>16,355</u>
(8) Lamoille	<del>43,660</del>	44,249	<u>46,085</u>
(9) Orange	<del>51,919</del>	52,620	<u>54,804</u>
(10) Orleans	<del>50,740</del>	51,425	<u>53,559</u>
(11) Rutland	<del>112,100</del>	113,613	<u>118,328</u>
(12) Washington	<del>86,138</del>	87,301	<u>90,924</u>
(13) Windham	<del>69,620</del>	70,560	<u>73,488</u>
(14) Windsor	<del>94,400</del>	95,674	<u>99,644</u>

(b) Probate judges shall be entitled to be paid by the State for their actual and necessary expenses under the rules and regulations pertaining to classified State employees. The compensation for the Probate judge of the Chittenden District shall be for full-time service.

(c) All Probate judges, regardless of the number of hours worked annually, shall be eligible to participate in all employee benefits that are available to exempt employees of the Judicial Department.

\* \* \* Sheriffs; Statutory Salaries; Fiscal Year 2022 \* \* \*

Sec. F.108 32 V.S.A. § 1182 is amended to read:

§ 1182. SHERIFFS

(a) The sheriffs of all counties except Chittenden shall be entitled to receive salaries in the amount of ~~\$84,969.00 as of July 7, 2019~~ and \$86,116.00 as of

January 5, 2020 and \$89,690.00 as of July 4, 2021. The Sheriff of Chittenden County shall be entitled to an annual salary in the amount of ~~\$89,919.00 as of July 7, 2019 and~~ \$91,133.00 as of January 5, 2020 and \$94,915.00 as of July 4, 2021.

(b) Compensation under subsection (a) of this section shall be reduced by 10 percent for any sheriff who has not obtained Level III law enforcement officer certification under 20 V.S.A. § 2358.

\* \* \* State's Attorneys; Statutory Salaries; Fiscal Year 2022 \* \* \*

Sec. F.109 32 V.S.A. § 1183 is amended to read:

§ 1183. STATE'S ATTORNEYS

(a) The State's Attorneys shall be entitled to receive annual salaries as follows:

	<del>Annual</del>	Annual	<u>Annual</u>
	<del>Salary</del>	Salary	<u>Salary</u>
	<del>as of</del>	as of	<u>as of</u>
	<del>July 7,</del>	January 5,	<u>July 4,</u>
	<del>2019</del>	2020	<u>2021</u>
(1) Addison County	<del>\$114,934</del>	\$116,486	<u>\$121,320</u>
(2) Bennington County	<del>\$114,934</del>	\$116,486	<u>\$121,320</u>
(3) Caledonia County	<del>\$114,934</del>	\$116,486	<u>\$121,320</u>
(4) Chittenden County	<del>\$120,160</del>	\$121,782	<u>\$126,836</u>

(5) Essex County	\$86,202	\$87,366	<u>\$90,992</u>
(6) Franklin County	\$114,934	\$116,486	<u>\$121,320</u>
(7) Grand Isle County	\$86,202	\$87,366	<u>\$90,992</u>
(8) Lamoille County	\$114,934	\$116,486	<u>\$121,320</u>
(9) Orange County	\$114,934	\$116,486	<u>\$121,320</u>
(10) Orleans County	\$114,934	\$116,486	<u>\$121,320</u>
(11) Rutland County	\$114,934	\$116,486	<u>\$121,320</u>
(12) Washington County	\$114,934	\$116,486	<u>\$121,320</u>
(13) Windham County	\$114,934	\$116,486	<u>\$121,320</u>
(14) Windsor County	\$114,934	\$116,486	<u>\$121,320</u>

\* \* \*

\* \* \* Appropriations \* \* \*

Sec. F.111 PAY ACT APPROPRIATIONS; FISCAL YEAR 2022

(a) Executive Branch. The second year of the two-year agreements between the State of Vermont and the Vermont State Employees' Association for the Defender General, Non-Management, Supervisory, and Corrections bargaining units, and, for the purpose of appropriation, the State's Attorneys' offices bargaining unit, for the period of July 1, 2021 through June 30, 2022; the collective bargaining agreement with the Vermont Troopers' Association for the period of July 1, 2021 through June 30, 2022; and salary increases for

employees in the Executive Branch not covered by the bargaining agreements shall be funded as follows:

(1) Fiscal year 2022.

(A) General Fund. The amount of \$10,033,806 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2022 collective bargaining agreements and the requirements of this act.

(B) Transportation Fund. The amount of \$4,250,000 is appropriated from the Transportation Fund to the Secretary of Administration for distribution to the Agency of Transportation and the Department of Public Safety to fund the fiscal year 2022 collective bargaining agreements and the requirements of this act.

(C) Other funds. The Administration shall provide additional spending authority to departments through the existing process of excess receipts to fund the fiscal year 2022 collective bargaining agreements and the requirements of this act. The estimated amounts are \$15,775,278 from a special fund, federal funds, and other sources.

(D) Transfers. With due regard to the possible availability of other funds, for fiscal year 2022, the Secretary of Administration may transfer from the various appropriations and various funds and

from the receipts of the Liquor Control Board such sums as the Secretary may determine to be necessary to carry out the purposes of this act to the various agencies supported by State funds.

(2) This section shall include sufficient funding to ensure administration of exempt pay plans authorized by 32 V.S.A. § 1020(c).

(b) Judicial Branch.

(1) The Chief Justice of the Vermont Supreme Court may extend the provisions of the Judiciary’s collective bargaining agreement to Judiciary employees who are not covered by the bargaining agreement.

(2) The second year of the two-year agreements between the State of Vermont and the Vermont State Employees’ Association for the judicial bargaining unit for the period of July 1, 2021 through June 30, 2022 and salary increases for employees in the Judicial Branch not covered by the bargaining agreements shall be funded as follows: the amount of \$978,648 is appropriated from the General Fund to the Judiciary to fund the fiscal year 2022 collective bargaining agreement and the requirements of this act.

(c) Legislative Branch. For the period of July 1, 2021 through June 30,2022, the General Assembly shall be funded as follows: the amount of \$399,630 is appropriated from the General Fund to the Legislative Branch.

\* \* \* Fiscal Year 2021; One-Time Payments \* \* \*

Sec. F.112 FISCAL YEAR 2021; ONE-TIME PAYMENTS AUTHORIZED

(a) The Executive Branch is authorized to provide elected State officials whose salaries are set pursuant to 32 V.S.A. § 1003 (State officers), who did not otherwise receive a salary increase in fiscal year 2021, a one-time cash payment equivalent to the value of a 1.9 percent increase on their fiscal year 2020 salary.

(b) The Judicial Branch is authorized to provide judicial officers whose salaries are set pursuant to 32 V.S.A. §§ 1003 and 1141–1142, who did not otherwise receive a salary increase in fiscal year 2021, a one-time cash payment equivalent to the value of a 1.9 percent increase on their fiscal year 2020 salary.

\* \* \* American Rescue Plan Act Appropriations \* \* \*

\* \* \* Intent and Other Funding \* \* \*

Sec. G.100 MULTIYEAR FUNDING PRIORITIES FOR THE AMERICAN  
RESCUE PLAN ACT (ARPA) AND OTHER STATE AND  
FEDERAL FUNDS FOR ALL VERMONTERS: INTENT

(a)(1) ARPA was enacted on March 11, 2021 and includes a \$1.05 billion grant of flexible aid for Vermont to be spent over the next four years. With these funds, and other federal or State funds, the General Assembly recognizes an unprecedented opportunity to invest in Vermont’s recovery and long-term future by supporting Vermonters’ health and well-being and by strengthening Vermont’s communities, businesses, environment, and climate. Between

ARPA funds and other federal and State funds, the General Assembly anticipates spending the following amounts over the next three years:

(A) \$250,000,000 for the health, well-being, and recovery of Vermonters; for workforce development; and for business supports;

(B) \$250,000,000 for development of a wide array of housing;

(C) \$250,000,000 for broadband development;

(D) \$250,000,000 for climate change mitigation; and

(E) \$225,000,000 for clean water initiatives.

(2) Through the appropriations in Secs. G.300–G.700 of this act, it is the intent of the General Assembly to enable foundational investments that will support all Vermonters and transform and strengthen Vermont’s economy and communities.

(b) The appropriations of ARPA – Coronavirus State Fiscal Recovery Funds in fiscal year 2022 are made in Secs. G.300–G.700 of this act by categorical areas. In some cases, one-time State General Fund monies or other ARPA funding sources are included for specific programs or projects providing comprehensive funding by category. All appropriations of ARPA funds in this act are made only to the extent permitted by federal law and guidance. Appropriations not expended in fiscal year 2022 shall carry forward.

Sec. G.200 COMMUNITY ENGAGEMENT: LEGISLATURE

(a) In light of the unprecedented opportunity to transform the health and well-being of Vermonters, their communities, and businesses, the Speaker of the House and the President Pro Tempore of the Senate shall undertake a statewide, community-based engagement process to solicit Vermonters' specific priorities for investing federal funds for the long-term future of Vermont. Up to \$40,000 may be allocated from the legislative budget for administrative support and expenses. The community engagement process shall maximize public engagement, especially of marginalized communities, using nontraditional public input processes that do not rely exclusively on public hearings or online options, with the goal of removing barriers to participation. A report of the engagement process, including Vermonters' recommendations for investments in the future of this State, shall be provided to the House and Senate Committees on Appropriations and to other relevant committees in preparation for budget or policy development.

\* \* \* Economy, Workforce, and Communities \* \* \*

Sec. G.300 INVESTMENTS IN VERMONT'S ECONOMY, WORKFORCE,  
AND COMMUNITIES

(a) \$109,200,000 in fiscal year 2022 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds as follows:



(1) \$5,000,000 to the Department of Disabilities, Aging, and Independent Living (DAIL) to be used for grants to currently existing adult day service providers to support operating costs, program infrastructure, and COVID-19 related costs. On or before each quarter of fiscal year 2022 (July 1, 2021, October 1, 2021, January 1, 2022, and April 1, 2022), the Vermont Association of Adult Day Services shall provide a spreadsheet to the Department detailing the amount of grants needed by each program for each quarter. Any amount of this appropriation remaining at the end of fiscal year 2022 shall be carried forward and shall be used to support operating costs, program infrastructure, and COVID-19 related expenses. DAIL shall work with community partners to seek organizations interested in opening an adult day center in the underserved regions where adult day centers closed during the COVID-19 pandemic and shall request funding in the fiscal year 2022 budget adjustment process to provide restart grants.

(2) \$600,000 to the Department of Mental Health to fund a pilot mobile crisis intervention program in Rutland. It is the intent of the General Assembly that any continuation of this pilot program or expansion of the program to other areas of the State be designed and implemented in a manner that meets the requirements to draw federal Medicaid funding for these services as specified in ARPA.

(3) \$9,000,000 to the Judiciary for pandemic recovery response and justice system reopening in fiscal years 2022 and 2023. It is the intent of the General Assembly that portions of the appropriation made to the Judiciary under this section be spent for:

(A) the use of six-person juries in civil cases as authorized by the Court in the exercise of its emergency powers during a state of emergency; and

(B) a reduction of the backlog in child support cases, particularly in Bennington, Chittenden, and Rutland and counties;

(C) to address evictions backlog resulting from the pandemic related moratorium.

(4) \$3,300,000 to the Department of State's Attorneys for pandemic recovery response and justice system reopening in fiscal years 2022 and 2023.

(5) \$2,700,000 to the Office of the Defender General for pandemic recovery response and justice system reopening in fiscal years 2022 and 2023.

(6) \$2,000,000 in fiscal year 2022 to the Department of Labor for apprenticeship programs.

(7) \$1,000,000 in fiscal year 2022 to the University of Vermont for matching funds for research grant opportunities related to COVID-19.

(8) \$10,000,000 in fiscal year 2022 to the Vermont State Colleges for the following programs:

(A) \$2,000,000 to provide funding for up to six credits or two courses in the 2022 – 2023 academic year, including wraparound services for Vermonters whose employment was impacted by the COVID-19 public health emergency since March 13, 2020. The wraparound services may also be provided to students who enroll in six credit hours or two courses in the summer or fall of 2021 and spring of 2022 pursuant to 2021 Acts and Resolves No. 9, Sec. 18.

(B) \$3,000,000 to provide degree completion scholarships for up to 30 credits towards a credential of value for adult learners who have earned at least 40 credits towards an undergraduate degree and have a gap in attendance of at least two years.

(C) \$5,000,000 to provide free last dollar tuition for one year of undergraduate studies for critical occupation careers, including bookkeeping certificate, IT service desk specialist certificate, certified production technician, graphic design certificate, software and web development program, electrical and plumbing apprenticeships, dental hygiene, certificate in accounting, small business management, radiologic science, and respiratory therapy. \$540,000 of these funds shall be allocated for paramedic/EMS programs and any unexpended amount of this allocation shall be available for the broader purpose in this subdivision (C). Funds may be used for practical nursing, childcare, nursing, and mental health counseling programs only after

available federal and State financial aid is applied to ensure no cost to the student. If demand from undergraduates is met, then funds may be used to pay for tuition for the following graduate programs:

(i) Master in Education (all programs);

(ii) Master in Educational Leadership;

(iii) Master of Arts and Certificate of Advanced Graduate

Studies in School Psychology;

(iv) Masters in Counseling; and

(v) Masters in Clinical Mental Health Counseling.

(9) \$21,000,000 to the Vermont State Colleges for pandemic related deficits from revenue loss and increased operating expenses.

(10) \$2,200,000 to the University of Vermont to offset the impact from level room and board fees.

(11) \$11,000,000 to the Agency of Commerce and Community Development to be used in the same manner as the Brownfields Revitalization Fund established by 10 V.S.A. § 6654, except notwithstanding the grant limitations in 10 V.S.A. § 6654, projects supported by this appropriation will not be limited to \$200,000 grants per parcel. The Agency of Commerce and Community Development shall award the amount of \$1,000,000.00 in fiscal year 2022 to regional planning commissions for the purposes of brownfields assessment. In awarding funds under this section, the Secretary, in

consultation with VAPDA, shall select one regional planning commission to administer these funds. To ensure statewide availability, the selected regional planning commission shall subgrant to regional planning commissions with brownfield programs, with not more than 10 percent of the funds being used for administrative purposes.

(12) \$10,580,000 to the Department of Economic Development to fund priority capital projects as specified in Sec. H.18 of this Act.

(13) \$20,000,000 to Agency of Commerce and Community Development for Economic Recovery grants as specified in H.19 of this act.

(14) \$2,000,000 to the Department for Children and Families, Office of Economic Opportunity, to be granted to the community action agencies for the Statewide Community Action Network's Economic Micro Business Recovery Assistance for the COVID-19 Epidemic (EMBRACE) as specified in Sec. H.13(b)(2) of this act.

(15) \$1,000,000 to the University of Vermont to complete the startup of the Office of Engagement as specified in Sec. H.2(b) of this act.

(16) \$800,000 to the Agency of Commerce and Community Development for technology-related grants as specified in Sech. H.2(a) of this act.

(17) \$1,500,000 to the Agency of Commerce and Community Development for a Better Places grant program as specified in Sec.H.7 and H.8 of this act.

(18) \$150,000 to the Agency of Commerce and Community Development to provide outreach and technical for BIPOC owned businesses as specified in Sec. H.14 of this act.

(19) \$2,000,000 to the Department of Tourism and Marketing as specified in Sec. H.1 of this act.

(20) \$650,000 to the Agency of Commerce and Community Development to award grants for new and remote worker programs and program analysis consistent with legislation enacted on the 2021 legislative session.

(21) \$400,000 for career and technical education to be allocated as follows, consistent with legislation enacted in the 2021 legislation session.

(A) \$100,000 to the Vermont Student Assistance Corporation for CTE Adult Training Scholarships, and

(B) \$300,000 to the Agency of Education for grants to Adult Career and Technical Education Centers for equipment and to provide CTE coordinators resources to access to curriculum development experts.

(22) \$2,320,000 to the Agency of Commerce and Community Development for Working Community Challenge grants.

(b) \$49,500,000 in fiscal year 2022 is appropriated from the General Fund as follows:

(1) \$300,000 to the Agency of Commerce and Community Development for a two-year contract with a foreign trade representative.

(2) \$900,000 to the Agency of Commerce and Community Development to fund the Entrepreneurs' Seed Capital Fund to provide risk stage seed capital to Vermont businesses that have experienced economic disruption either through reduced business, new business formation, or through an unmanageable increase in new business due to the COVID-19 crisis.

(3) \$20,000,000 to the Vermont State Colleges for system transformation over the next four years, \$8,000,000 of which will be utilized in fiscal year 2022.

(4) \$2,000,000 to the Vermont State Colleges to provide welcome home scholarships of \$5,000 per year or \$2,500 per semester for full-time students enrolled for 12 or more credits, or \$3,000 per year or \$1,500 per semester for part-time students, to Vermonters transferring from out-of-state institutions or returning to school after exiting in 2020–2021. This program's mission is to incentivize students to come home to Vermont by transferring to Vermont State College System institutions and to complete their degree if they left school without finishing in 2020–2021.

(5) \$400,000 to the Vermont State Colleges for start-up cost for the Dental Therapy program.

(6) \$5,750,000 in fiscal year 2022 to the Vermont Student Assistance Corporation for the following programs:

(A) \$1,000,000 for advancement grants in fiscal years 2022 and 2023;

(B) \$600,000 for aspiration grants in fiscal years 2022 and 2023;

(C) \$3,800,000 for 802Opportunity grants in fiscal years 2022 and 2023; and

(D) \$350,000 for a one-time investment in the Advance Vermont program to assist Vermonters seeking credentialing information and opportunities.

(7) \$15,000,000 to the Secretary of Administration for equitable distribution, to be determined in consultation with the Association of Vermont Independent Colleges, among the 12 independent colleges. Distribution factors to be considered shall include ARPA funding guidelines and creating a floor to protect smaller schools. In order to qualify for funding from this appropriation, institutions must be accredited or certified in Vermont and chartered in Vermont.

(8) \$1,500,000 to the Agency of Commerce and Community Development to be used in the same manner as the Downtown Transportation



and Related Capital Improvement fund established by 24 V.S.A. § 2796,  
pursuant to the conditions outlined in Sec. B.1103(a).

(9) \$2,000,000 to the Agency of Agriculture, Food and Markets for  
grants through the Working Lands Program.

(10) \$500,000 to the Agency of Agriculture, Food and Markets for  
grants to State fairs and field days organizations.

(11) \$1,150,000 to the Vermont Council on the Arts for technical  
assistance for cultural and arts organizations to enhance digital presence.

\* \* \* Addressing Homelessness, Housing Insecurity and

Increasing the Stock of Low- and Moderate-Income Housing \* \* \*

Sec. G.400 HOUSING AND HOMELESSNESS INVESTMENTS

(a) \$99,000,000 in fiscal year 2022 is appropriated from the American  
Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds as  
follows:

(1) \$94,000,000 to the Vermont Housing and Conservation Board  
(VHCB) to provide housing and increase shelter capacity, with priority given  
to populations who may be displaced from the hotel/motel voucher problem or  
are currently without housing, including by providing permanent homes in  
mixed-income settings. VHCB shall distribute the funds in consultation with  
the Secretary of Human Services and may subgrant a portion to other entities,  
including the Department of Housing and Community Development, the

Vermont Housing Finance Agency, and regional nonprofit housing organizations, for one or more of the following purposes:

(A) if necessary, to help ensure that households and areas impacted by the pandemic are served;

(B) to undertake additional housing initiatives, such as home ownership, to the extent permitted by ARPA and related regulations and guidance; or

(C) to provide for the efficient use of the funds.

(2) \$5,000,000 to the Agency of Commerce and Community Development for the Vermont Housing Incentive Program (VHIP).

(b) \$91,000,000 is appropriated from other funds as follows:

(1) \$40,000,000 in fiscal year 2021 is appropriated from the General Fund to the Vermont Housing and Conservation Board (VHCB) for affordable housing initiatives. These funds shall carryforward into fiscal year 2022 and are in addition to funding provided to VHCB in 2021 Acts and Resolves No. 9.

(2) \$36,000,000 of funds reserved by motion passed on February 11, 2021 by the Joint Fiscal Committee accepting the Consolidated Appropriations Act, 2021 (Pub. L. No. 116-260) Emergency Rental Assistance Program grant is appropriated in fiscal year 2022 to the Department for Children and Families to implement the Emergency Housing Assistance Program in fiscal year 2022.

(3) \$15,000,000 in fiscal year 2022 is appropriated from funds received from the American Rescue Plan Act, 2021 (Pub. L. No. 117-2) Emergency Rental Assistance Program to the Department for Children and Families to supplement, continue, or extend, or any combination of the three, the Rental Assistance Program for Reach Up families as permissible by the Emergency Rental Assistance Program.

\* \* \* Broadband Connectivity and Technology

Modernization Investments \* \* \*

Sec. G.500 BROADBAND CONNECTIVITY INVESTMENTS

(a) \$150,000,000 is appropriated in fiscal year 2022 to the Department of Public Service from the American Rescue Plan Act - Coronavirus State Fiscal Recovery Fund consistent with legislation enacted in the 2021 legislative session in order to support and accelerate the State's goal of achieving universal access to reliable, high-quality, affordable broadband. This appropriation may be transferred to the Vermont Community Broadband Fund.

Sec. G.501 STATE TECHNOLOGY MODERNIZATION INVESTMENTS

(a) \$52,000,000 in fiscal year 2022 from American Rescue Plan Act - Coronavirus State Fiscal Recovery Funds as follows:

(1) \$24,500,000 to the Department of Motor Vehicles to complete the first phase of the DMV IT system replacement of the 40-year-old mainframe applications.

(2) \$1,100,000 to the Department of Environmental Conservation for the second phase of the permit navigator - citizen facing permit portal.

(3) \$500,000 to Natural Resources Board for Act 250 scanning project – digitize land use records.

(4) \$12,800,000 to Agency of Administration for a Human Capital Management ERP upgrade - replacement of the HR system that tracks employee information, timesheets, and contracts, including a VANTAGE budget system upgrade and interface with the new HR system.

(5) \$1,500,000 to Agency of Digital Services cybersecurity – core infrastructure replacement and router replacements for public safety connections to the municipalities.

(6) \$1,000,000 to Agency of Commerce and Community Development (ACCD) for Salesforce grant management system – transitioning ACCD from an unwieldy grants program to a centralized grants system.

(7) \$1,700,000 to States' Attorneys and Sheriffs (SAS) for case management system - needed upgrade to SAS case management software;

(8) \$140,000 to the Defender General to complete a case management system upgrade.

(9) \$250,000 to the Secretary of State for completion of the Vermont Business Portal to provide digital access for Vermont-based businesses to at least four State agencies.

(10) \$4,500,000 to the Vermont Department of Labor (VDOL), of which \$3,500,000 is allocated for phase one of the UI modernization to begin replacement of mainframe applications for unemployment insurance and \$1,000,000 is allocated for the Joblink replacement to coordinate activities between ACCD and VDOL to better serve Vermonters. These funds shall be released only after approval of the Joint Information Technology Oversight Committee (JITOC). The JITOC is requested to review the breadth of scope, appropriateness of the proposed technology, experience record of the proposed vendor, reliability of the cost estimate, availability of dedicated department personnel for implementation and operation, and the proposed schedule and scope of future phases, where appropriate. The JITOC evaluation shall consider information provided by the Agency of Digital Services and any outside technical review or resource.

(11) \$4,010,000 to the Agency of Education for data systems related to licensing management, dual enrollment vouchers, and adult education and literacy programs. These funds shall be released only after approval of the Joint Information Technology Oversight Committee (JITOC).

(b) \$14,000,000 is appropriated from the General Fund in fiscal year 2022 as follows:

(1) \$4,500,000 to the Department for Children and Families for Bright Futures Information System replacement, and

(2) \$9,500,000 to Agency of Human Services IE project - Integrated Eligibility replaces Access.

\* \* \* Weatherization and Other Climate Change Mitigation Investments \* \* \*

Sec. G.600 CLIMATE ACTION INVESTMENTS

(a) \$50,000,000 in fiscal year 2022 is appropriated from the American Rescue Plan Act - Coronavirus State Fiscal Recovery Funds to be appropriated consistent with the Energy Savings Fund criteria as follows:

(1) \$4,000,000 to the Department for Children and Families, Office of Economic Opportunity, Home Weatherization Assistance Program to be used in fiscal year 2022 and fiscal year 2023. Up to \$150,000 of these funds may be used for vermiculite remediation and home repair as part of home weatherization. These funds are in addition to funds that are provided in Sec. B.324 of this act and federal ARPA LIHEAP funding provided, as specified in Sec. E.324.1 of this act.

(2) \$9,000,000 to the Agency of Administration to grant to the Vermont Housing Finance Agency for financial support of housing weatherization statewide. On or before January 31, 2022 and thereafter upon request from a legislative committee, the Vermont Housing Finance Agency shall issue a report to the General Assembly detailing the programs to which funds appropriated under this subdivision were provided. The report shall include the

results of its investigations into on-bill to-the-meter billing and other methods to provide weatherization financing.

(3) \$5,000,000 to the Department of Public Service to grant to the Efficiency Vermont for the purpose of weatherization incentives. These funds shall be deposited in the Electric Efficiency Fund established under 30 V.S.A. § 209(d)(3) and shall be available for use by Efficiency Vermont through December 31, 2023.

(4) \$2,000,000 to the Department of Public Service to grant to Efficiency Vermont for the purpose of workforce development initiatives and to support the expansion of Neighborworks of Western Vermont’s Heat Squad program. These funds shall be deposited in the Electric Efficiency Fund established under 30 V.S.A. § 209(d)(3) and shall be available for use by Efficiency Vermont through December 31, 2023.

(5) \$20,000,000 to the Department of Public Service of which \$10,000,000 is to be used on the Affordable Community-Scale Renewable Energy Program, consistent with parameters of the Clean Energy Development Fund, to support the creation of renewable energy projects for Vermonters with low-income. In fiscal year 2022, \$5,000,000 may be allocated by the Clean Energy Development Board. The Department shall submit a plan for use of the remaining \$5,000,000 funds for approval by the General Assembly during the 2022 legislative session.

(6) \$10,000,000 to the Vermont Housing Conservation Board and may be used for conservation projects and Farm and Forest Viability Program activities that support the rural economy. Up to \$100,000 shall be used to expand the Rural Economic Development Initiative (REDI).

(b) \$4,500,000 in fiscal year 2022 is appropriated from the General Fund as follows:

(1) \$2,500,000 to the Agency of Commerce and Community Development.

(A) \$650,000 shall be used by the Agency to provide technical assistance to municipalities on accessory dwelling and small lot development as well as bylaw modernization consistent with any specifications enacted in the 2021 legislative session. This allocation may include grants to regional planning commissions

(B) \$850,000 shall be used provide grants of \$75,000 to each Regional Planning Commission for increased workload from the pandemic.

(C) \$1,000,000 shall be granted to Regional Planning Commissions to provide energy planning services to municipalities. Distribution of these funds shall be made based on an allocation plan that is developed by the Regional Planning Commissions.

(2) \$1,500,000 to the Department for Children and Families to grant to the community action agencies, to be used through December 31, 2024, to



support at least five Financial and Clean Energy Coaches to assist Vermonters with low and moderate income in comprehensive financial coaching, including budgeting, debt reduction, credit building, and asset development, with an emphasis on reducing their reliance on carbon fuel-based technologies, and to support one statewide coordinator based at a community action agency.

(3) \$500,000 to the Agency of Transportation to grant to the Community Action Agencies to support the MileageSmart Program, established in 2019 Acts and Resolves No. 59, Sec. 34, as amended.

\* \* \* Clean Water Investments \* \* \*

Sec. G.700 WATER AND SEWER INVESTMENTS

(a) \$115,000,000 in fiscal year 2022 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds as follows:

(1) \$10,000,000 for Stormwater Retrofit Projects as follows:

(A) \$5,500,000 to the Department of Environmental Conservation to provide three-acre stormwater permitting design and construction support for entities subject to the Vermont 3- 9050 Stormwater General Permit and to provide design and construction for practices necessary to restore impaired waters subject to flow restoration plans.

(B) \$1,000,000 to the Department of Forests, Parks and Recreation to support compliance with the 3-acre stormwater rule.

(C) \$3,500,000 to the Agency of Transportation for the implementation of three-acre and flow restoration protection and clean water compliance expenditures for transportation infrastructure and to fund the municipal grants in aid program to address stormwater runoff from municipal roads.

(2) \$10,000,000 to the Department of Environmental Conservation to support wastewater projects and pretreatment activities as follows:

(A) \$8,000,000 to support the design and construction of up to 10 community-scale water or decentralized wastewater projects, or both, to support underserved designated centers.

(B) \$2,000,000 to provide financial assistance to municipalities, Vermont businesses, and nonprofit entities to install or enhance pretreatment processes to address high strength or toxic wastes that otherwise require treatment at municipal expense by publicly owned treatment facilities.

(3) \$10,000,000 to the Department of Environmental Conservation to assist municipalities to design and construct projects to reduce or eliminate wet weather sewer overflows.

(4) \$5,000,000 to make repairs or improvements to water and wastewater systems in Vermont homes to be allocated as follows:

(A) \$750,000 to the Department of Housing and Community Development to provide financial assistance or incentives for water system and water efficiency improvements as part of housing rehabilitation projects.

(B) \$4,250,000 to the Department of Environmental Conservation as follows:

(i) \$1,000,000 to increase the funds available for loan forgiveness to replace failed residential on-site wastewater and water supply systems.

(ii) \$3,250,000 to provide financial assistance or loan forgiveness to mobile home parks to improve drinking water, wastewater, stormwater, and drainage systems.

(5) \$10,000,000 to the Department of Environmental Conservation for allocation by the Clean Water Board established under 10 V.S.A § 1389, as part of their budget process in fiscal year 2022.

(6) \$50,000,000 to the Agency of Natural Resources shall carry forward to be used as follows:

(A) \$20,000,000 for allocation by the Clean Water Board established under 10 V.S.A § 1389 as part of their budget process in fiscal year 2023 and 2024;

(B) \$30,000,000 for allocation in fiscal year 2023 and 2024 by the Department of Environmental Conservation for drinking water, sewer, and stormwater infrastructure projects, including dam safety improvements and

CSO abatement. The Department shall provide the General Assembly a list of the projects allocated for funding during the annual budget development process for fiscal years 2023 and 2024.

(7) \$5,000,000 to improve overall landscape resilience and mitigate flood hazards to be allocated as follows:

(A) \$4,880,000 to the Department of Public Safety, Division of Emergency Management to establish a statewide hazard mitigation program that includes funding hazard mitigation matching funds and a State-level buyout program for parcels ineligible for FEMA-related programs.

(B) \$120,000 to the Department of Environmental Conservation to provide technical assistance to the statewide hazard mitigation program.

(b) \$5,000,000 in fiscal year 2021 is appropriated from the General Fund to the Department of Environmental Conservation to reduce risk to public safety and the environment associated with State-owned dams.

(c) \$15,000,000 to be used to the extent capital funds have been appropriated to projects supporting water and sewer infrastructure in fiscal year 2022 and capital appropriations can be offset for reuse for future capital construction projects in the fiscal years 2022 – 2023 capital budget adjustment process. On or before December 15, 2021, the Commissioner of Finance and Management shall review and recommend water and sewer infrastructure projects funded in fiscal year 2022 that could be funded with ARPA funds to

the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and to the Governor for the fiscal years 2022–2023 capital budget adjustment report.

Sec. G.701 [Deleted.]

\* \* \* Tax conformity, Administration and Positions \* \* \*

Sec. G.800 FEDERAL TAX CONFORMITY: AMERICAN RESCUE PLAN  
ACT (ARPA) CONTINGENT OFFSET TRANSFER

(a) To the extent that the July 2021 Emergency Board fiscal year 2022 available General Fund forecast is below \$1,673,600,000, the first \$17,500,000 of any amount below this level shall be offset by a transfer of the ARPA - Coronavirus State Fiscal Recovery Funds into the General Fund.

Sec. G.801 APPROPRIATION FOR ADMINISTRATION COSTS

(a) \$6,500,000 in fiscal year 2022 is appropriated from the American Rescue Plan Act - Coronavirus State Fiscal Recovery Funds to the Agency of Administration to be transferred as need to address the statewide costs of administrating these funds, including the costs of related limited service positions.

Sec. G.802 AMERICAN RESCUE PLAN ACT RELATED LIMITED  
SERVICE POSITIONS

(a) The establishment of the following 57 new limited positions is authorized in fiscal year 2022. To the extent that vacant positions are

available; these positions may be transferred and converted from existing vacant positions in the Executive Branch. Departments shall report on the recruitment status of the positions created by this section in the fiscal year 2022 budget adjustment process.

(1) The Department for Children and Families – seventeen (17) limited service positions to process applications for emergency housing and comply with federal funding requirements, and six (6) limited service positions to process applications for child care stabilization fund grants and federal funding requirements in State fiscal year 2022 for the duration of the child care stabilization funds.

(2) The Department of Buildings and General Services - three (3) State Purchasing Agents, one (1) State Assistant Purchasing Agent, one (1) Design and Construction Division Program Chief, and three (3) Design and Construction Project Managers.

(3) The Department of Economic Development - two (2) Economic Development Specialists, two (2) Grants Management Specialists, and two (2) Administrative Services Coordinators.

(4) The Department of Housing and Community Development - one (1) Grants Management Specialist, one (1) Senior Grants Management Specialist, one (1) Housing Program Coordinator, one (1) Community Development

Specialist, one (1) Financial Administrator, and one (1) Administrative Assistant.

(5) The Agency of Natural Resources - one (1) Environmental Conservation Financial Manager, one (1) Environmental Conservation Financial Administrator, two (2) Environmental Conservation Grants Management Specialists, one (1) Environmental Conservation Analyst, three (3) Central Office Regulatory Policy Analysts, and two (2) Fish and Wildlife Scientists.

(6) The Department of Public Safety – two (2) State Hazard Mitigation Planners, and one (1) Financial Administrator.

(7) The Agency of Administration, Secretary’s Office – one (1) Financial Manager.

(8) Department of the State’s Attorneys – one (1) two year limited service classified position, Victims Advocate Coordinator.

Sec. G.803 AMERICAN RESCUE PLAN ACT (ARPA) FUNDS;

POTENTIAL COUNTY ALLOCATIONS;

APPROVAL REQUIRED FOR USE OF FUNDS

(a) The use of ARPA funds is subject to strict limitations and use beyond the specifications of federal law and guidance will likely require the State to reimburse the federal government for the amount of the improperly spent funds. In the event that the U.S. Department of the Treasury determines that

Vermont's counties are eligible to receive funds made available to counties from the Coronavirus Local Fiscal Recovery Fund in Section 603(b)(3) of the Social Security Act, as added by Section 9901 of ARPA:

(1) no Vermont county shall use any of the funds in its allocation until the Secretary of Administration has reviewed and approved each proposed expenditure as an eligible use in accordance with federal law and related guidance; and

(2) if a Vermont county transfers any or all of its allocation to the State in accordance with Section 603(c)(4) of the Social Security Act, as added by Section 9901 of ARPA, the funds shall be held for appropriation by the General Assembly in the fiscal year 2022 budget adjustment process.

\* \* \* Tourism and Marketing \* \* \*

#### Sec. H.1 TOURISM AND MARKETING; APPROPRIATION

(a) The tourism and hospitality sector has suffered widespread disruption from the COVID-19 pandemic, with restaurant, lodging, entertainment, specialty retail and related businesses, as well as cultural attractions, suffering job losses and an uncertain ability to remain operational due to the travel restrictions imposed and the revenue losses that have been experienced.

(b) When travel is safe again, Vermont will have a strategic opportunity coming out of the pandemic to encourage visitation due our abundance of open



space, strong cultural and outdoor recreation assets, and careful management of the virus.

(c) Of the \$2,000,000.00 appropriated in Sec. G.300(a)(19) of this act to the Department of Tourism and Marketing, the Department shall allocate funding as follows:

(1) \$1,400,000.00 to promote Vermont’s travel, recreation, culinary, arts, culture, agritourism, and heritage experiences to attract visitors and stimulate visitor spending with local attractions and small businesses in rural communities and throughout the State; and

(2) \$600,000.00 to develop a grant program to enable local, regional, or statewide organizations to implement campaigns and initiatives that increase consumer spending, support local businesses, and advance community recovery efforts to support businesses in Vermont that have suffered economic harm due to the COVID-19 public health emergency.

(d) The Department shall ensure that funds appropriated in this section are distributed equitably to reach a broad audience, including underrepresented communities and new and diverse communities of visitors.

(e) On or before February 15, 2022, the Department shall submit to the Senate Committee on Housing, Economic Development and General Affairs and the House Committee on Commerce and Economic Development a report on the use and outcomes of funding allocated in this section.

\* \* \* Technology-Based Economic Development \* \* \*

Sec. H.2 TECHNOLOGY-BASED ECONOMIC DEVELOPMENT

PROGRAM; APPROPRIATION

(a) Of the \$800,000.00 appropriated in Sec. G.300(a)(16) of this act to the Agency of Commerce and Community Development, the Agency shall allocate funds to design and implement a technology-based economic development program that promotes technology-based businesses consistent with the following:

(1) Small business innovation research; small business technical transfer; technical assistance. A total of \$200,000.00 to provide technical assistance to first-time applicants pursuing a federal SBIR or STTR grant.

(2) SBIR; STTR; Phase I and Phase II matching grants. A total of \$400,000.00 to provide a 50 percent State matching grant, up to \$50,000.00, to businesses that receive a federal SBIR/STTR Phase I or Phase II grant.

(3) Industry research partnership program. A total of \$200,000.00 to provide a 100 percent matching grant to Vermont small businesses:

(A) to purchase services and technical assistance from universities and research institutions, including research and development assistance, technology assessments, product prototyping, lab validation, and overcoming development hurdles; and

(B) to establish better relationships among Vermont businesses and higher education researchers, speed time-to-market for new technologies, and help keep Vermont companies relevant in the marketplace.

(b) The University of Vermont Office of Engagement shall use the \$1,000,000.00 appropriated in Sec. G.300(a)(15) of this act over a two-year period to leverage the research services and data science capabilities of the University in order to promote technology-based businesses.

(c)(1) On or before January 15, 2022, the Agency of Commerce and Community Development shall report to the General Assembly concerning the implementation of subsection (a) of this section, including the provision of grants and technical assistance, the number of businesses assisted, how many SBIR/STTR Phase I and II matching grants awarded, how many businesses received the maximum grant, and how many matching grants and the amounts awarded through the industry research partnership program.

(2) On or before January 15, 2022, the University of Vermont shall report to the General Assembly on the implementation of subsection (b) of this section concerning the nature and scope of assistance provided through the Office of Engagement.

\* \* \* Postsecondary CTE System \* \* \*

Sec. H.3 2019 Acts and Resolves No. 80, Sec. 6 is amended to read:

Sec. 6. ~~POSTSECONDARY CAREER AND TECHNICAL ADULT~~

EDUCATION AND TRAINING SYSTEM

(a) Findings; purpose.

(1) Findings. The General Assembly finds:

(A) Like many rural states, Vermont faces demographic realities that have resulted in an historically low unemployment rate and created obstacles for employers that seek to hire and retain enough fully trained employees.

(B) Notwithstanding this high employer demand, due to rapidly changing technology and evolving business needs, potential employees may lack the particular skills and training necessary to qualify for available jobs.

(C) In order to assist employers and employees in matching demand to requisite skills, Vermont has a broad diversity of postsecondary workforce education and training programs offered by multiple providers, including programs administered or funded by State government, educational institutions, and business-lead groups ~~such as the Vermont Talent Pipeline Management Project~~. The State should continue to work closely with these providers to identify and meet the needs of employers and employees.

\* \* \*

(b) ~~Postsecondary~~ Adult basic education, adult secondary education, and postsecondary CTE System.

(1) ~~The Department of Labor, in collaboration with the~~ Agency of Education, in consultation with the Department of Labor, the Vermont State

Colleges, and the Vermont Adult Technical Education Association, and ~~any~~ two representatives from entities who serve adult basic and adult secondary populations shall:

(A) ~~consultant the Department hires for that purpose,~~ issue a request for proposals and hire a contracted consultant on or before September 1, 2022;  
and

(B) ~~shall consider and~~ report to the General Assembly on the design, implementation, and costs of an integrated and coherent adult basic education, adult secondary education, and postsecondary career and technical education system that achieves the results specified in subdivision (a)(2) of this section.

(2) In performing their work, the ~~Department, stakeholders~~ Agency, partners, and ~~any~~ the consultant shall conduct a broad-based stakeholder engagement process to solicit input from interested parties, and State agencies and departments shall provide necessary information and assistance within their relative areas of expertise.

(c) ~~Report~~ Reporting. The Department of Labor shall report to the House Committees on Commerce and Economic Development and on Education and to the Senate Committees on Economic Development, Housing and General Affairs and on Education concerning the implementation of this section as follows:

(1) on or before April 15, 2022, a status update addressing the progress on designing the request for proposals and the stakeholder engagement process;

(2) ~~On~~ on or before January 15, 2020 2023, the Department of Labor shall submit a preliminary report on the status of its work as of that date; and

(3) on or before December 15, 2023, a final report with any recommendations for legislative action to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

(d) In performing its work to create an integrated adult basic education, adult secondary education, and postsecondary career and technical education system, the Department Agency shall recognize issues faced by persons who would benefit from adult basic education or adult secondary education and persons with other historical barriers to employment or who are underrepresented in the workforce, including persons who have faced discrimination based on race, sex, sexual orientation, gender identity, age, refugee status, and national origin; persons in recovery; persons with a history of incarceration; and persons with disabilities.

Sec. H.4 ALLOCATION OF APPROPRIATIONS

(a) The Department of Labor shall allocate not more than \$75,000 from the amounts available in the Workforce Expansion Fund to implement Sec. H.3 of this act.

(b) The Agency of Education shall allocate not more than \$25,000.00 from the amounts available in the General Fund for Tech Ed Adult Formula to supplement funds from the Department of Labor to implement Sec. H.3 of this act.

\* \* \* Better Places Program \* \* \*

Sec. H.5 FINDINGS; INTENT AND PURPOSE

(a) The General Assembly finds:

(1) The COVID-19 pandemic has devastated our economy through business closures and job losses, and physical distancing requirements have exacerbated social isolation and impacted Vermonters' quality of life and sense of community.

(2) Public spaces are essential for supporting economic activity and health and well-being throughout the pandemic and for building engaged, equitable, and resilient communities in the future.

(3) Vermont's downtowns and villages increasingly depend on inviting public spaces that are robustly programmed to restore our distinct sense of

place; strengthen community pride and identity; and attract businesses, jobs, and talent.

(4) Placemaking projects intentionally leverage the power of the arts and cultural assets to strengthen the economic and social fabric of communities and allow for growth and transformation that builds upon local and regional character, culture, and quality of place.

(5) Research shows that community-driven placemaking projects increase economic and civic vitality and create spaces where commerce thrives, social connections flourish, civic participation increases, and residents are empowered to take ownership of their future to build healthier and equitable local economies.

(b) It is the intent of the General Assembly to:

(1) enhance the livability and unique sense of place in Vermont's downtowns and villages by providing funding, training, and resources to support investments in public spaces and local placemaking projects that build prosperous, equitable, healthy, and resilient communities;

(2) promote healthy, safe, equitable, and vibrant downtowns, villages, and neighborhoods for people of all ages, abilities, backgrounds, and incomes by increasing public space and placemaking investments in local communities;

(3) strategically coordinate and simplify the funding process from multiple community development funders, streamline the grantmaking and



distribution process, democratize community access to grant funds, and provide communities a nimble, flexible source to quickly fund and launch community-driven placemaking projects to make positive and enduring change locally; and

(4) help local leaders identify, develop, and implement placemaking projects by creating the Better Places Program to advance local recovery efforts, rebuild local economies, boost local capacity, and reconnect Vermonters to one another—critical elements that help communities recover quickly and build prosperous and resilient communities in the future.

Sec. H.6 24 V.S.A. § 2799 is added to read:

§ 2799. BETTER PLACES PROGRAM; CROWD GRANTING

(a)(1) There is created the Better Places Program within the Department of Housing and Community Development, and the Better Places Fund, which the Department shall manage pursuant to 32 V.S.A. chapter 7, subchapter 5.

(2) The purpose of the Program is to utilize crowdfunding to spark community revitalization through collaborative grantmaking for projects that create, activate, or revitalize public spaces.

(3) The Department may administer the Program in coordination with and support from other State agencies and nonprofit and philanthropic partners.

(b) The Fund is composed of the following:

(1) State or federal funds appropriated by the General Assembly;

(2) gifts, grants, or other contributions to the Fund; and

(3) any interest earned by the Fund.

(c) As used in this section, “public space” means an area or place that is open and accessible to all people with no charge for admission and includes village greens, squares, parks, community centers, town halls, libraries, and other publicly accessible buildings and connecting spaces such as sidewalks, streets, alleys, and trails.

(d)(1) The Department of Housing and Community Development shall establish an application process, eligibility criteria, and criteria for prioritizing assistance for awarding grants through the Program.

(2) The Department may award a grant to a municipality, a nonprofit organization, or a community group with a fiscal sponsor for a project that is located in or serves a designated downtown, village center, new town center, or neighborhood development area that will create a new public space or revitalize or activate an existing public space.

(3) The Department may award a grant to not more than one project per calendar year within a municipality.

(4) The minimum amount of a grant award is \$5,000.00 and the maximum amount of a grant award is \$40,000.00.

(5) The Department shall develop matching grant eligibility requirements to ensure a broad base of community and financial support for the project, subject to the following:

(A) A project shall include in-kind support and matching funds raised through a crowdfunding approach that includes multiple donors.

(B) An applicant may not donate to its own crowdfunding campaign.

(C) A donor may not contribute more than \$10,000.00 or 35 percent of the campaign goal, whichever is less.

(D) An applicant shall provide matching funds raised through crowdfunding of not less than 33 percent of the grant award.

(e) The Department of Housing and Community Development, with the assistance of a fiscal agent, shall distribute funds under this section in a manner that provides funding for projects of various sizes in as many geographical areas of the State as possible.

(f) The Department of Housing and Community Development may use up to 15 percent of any appropriation to the Fund from the General Fund to assist with crowdfunding, administration, training, and technological needs of the Program.

#### Sec. H.7 APPROPRIATION

The Agency of Commerce and Community Development shall transfer the amount of \$1,500,000.00 appropriated to it in Sec. G.300(a)(17) for a Better

Places grant program to the Better Places Fund to provide grants in 2021, 2022, 2023, and 2024.

Sec. H.8 BETTER PLACES PROGRAM; REPEAL; EFFECTIVE DATE

24 V.S.A. § 2799 (Better Places Program and Fund) is repealed on July 1, 2024.

Sec. H.9 BETTER PLACES PROGRAM; REPORT

(a) The Department of Housing and Community Development shall submit to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development annual reports on or before April 15 of 2022, 2023, and 2024 regarding the activities of the Better Places Program:

(b) The reports shall:

(1) summarize the Program activities in the preceding year and report on the number of awarded grants and the total grant funds allocated;

(2) report on partner resources and contributions to the Program; and

(3) report on any measurable economic activity, which may include the number of jobs created, the number of visitors, the approximate number of square feet to be activated or redeveloped, and the number of volunteers engaged in the project.

\* \* \* International Business Attraction and Investment Program \* \* \*

Sec. H.10 FINDINGS

(a) The General Assembly finds:

(1) Business investment by Canada-based businesses provides the opportunity to generate increased employment, increase the range of job opportunities for Vermonters, and increase the dynamism of our communities.

(2) From the past work of the Department of Economic Development, we know that small- and mid-sized businesses in Quebec, Ontario, and other provinces in the region have a natural inclination to explore Vermont as the site for expansion in the U.S. market.

(3) Developing a program to attract businesses and investment from Canada-based businesses and engaging the services of a foreign trade representative to provide local recruitment support can allow the State and its businesses to tap resources of institutions, enterprises, and people to a greater degree and to develop lead generation services, expansion monitoring, in-market representation, market intelligence, and the ability to engage and nurture high-growth companies primed for expansion.

(4) It is the intent of the General Assembly to fund the services of a foreign trade representative for two years in order to begin the work of cultivating relationships with Canada-based partners and developing prospects for attracting business relocation and investment in Vermont.

Sec. H.11 APPROPRIATION; REPORT

(a) The Agency of Commerce and Community Development shall use the \$300,000.00 appropriated from the General Fund in Sec. G.300(b)(1) of this act to provide funding for up to two years for a contract with a foreign trade representative consistent with this act.

(b) On or before January 15, 2022, the Agency of Commerce and Community Development shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning:

- (1) the terms of the contract; and
- (2) metrics to evaluate success of the contract and the representative.

(b) On or before January 15, 2023, the Agency of Commerce and Community Development shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning:

- (1) the type and number of business contacts and engagement;
- (2) the type of businesses, jobs, and wages brought to the State; and
- (3) recommendations concerning the continuation or expansion of the program.

\* \* \* Workforce Development and Education \* \* \*

Sec. H.12 WORKFORCE DEVELOPMENT AND EDUCATION

(a) Findings.

(1) Due to the COVID-19 public health emergency, the Vermont State Colleges have experienced a significant decrease in applications, and the board of directors has voted to freeze tuition for the 2021–2022 academic year both to keep students’ costs low and to mitigate the economic impact of COVID-19 on enrollment.

(2) Deposit activity, a signal of anticipated enrollment for the fall 2021 semester, has declined between five and 20 percent at two of the four VSC institutions, and FAFSA filing for Vermont is down seven percent year over year.

(3) While the enrollment gap is narrowing from earlier in the fall, it is still significantly wider than normal due to the complexities of how the pandemic is affecting Vermont’s high schools and high school students, for example, due to remote learning and the necessity for guidance counselors to broaden the reach of their services to struggling students.

(4)(A) The federal Pell Grant eligibility for first-time, full-time Vermont students is high, signifying that families are financially distressed.

(B) In the fall of 2019, the percentage of first-time, full-time students who were Pell eligible were as follows: CCV (57 percent), CU (39 percent), NVU (49 percent), and VTC (41 percent).

(C) These students, already economically disadvantaged, are disproportionately impacted by the pandemic and related economic crisis.

(5) In addition to increasing the needs of Vermont's secondary and postsecondary students, the COVID-19 pandemic has also placed significant burden on the Vermont workforce, which can benefit from expanded opportunities available at the Vermont State Colleges.

(b) Purpose. In light of these findings, it is the intent of the General Assembly to provide funding to expand opportunities for education at the Vermont State Colleges for Vermonters:

(A) who have been impacted by the COVID-19 pandemic through layoffs, furloughs, or reduced hours or due to being employed in an industry that has been severely affected; and

(B) who are pursuing education and training and require educational assistance and other support due to economic harm and lost opportunities arising from the COVID-19 public health emergency.

Sec. H.13 MICROBUSINESS DEVELOPMENT PROGRAM; EMBRACE

(a) The General Assembly finds that the Microbusiness Development Program has demonstrated the capability to help individuals lift themselves out of poverty by providing the technical support and financial assistance necessary to start and sustain entrepreneurial enterprises.



(b) To continue the success of the Microbusiness Development Program, in fiscal year 2022, the General Assembly has appropriated the following amounts in this act:

(1) the amount of \$200,000.00 in additional base funding from the General Fund to the Department for Children and Families, Office of Economic Opportunity, for pass-through grants to the Community Action Agencies to provide funding for the regional Microbusiness Development Programs pursuant to 3 V.S.A. § 3722; and

(2) the amount of \$2,000,000.00 from the funds available to the State under the American Rescue Plan Act of 2021 to the Department for Children and Families, Office of Economic Opportunity, to be granted to the Community Action Agencies for the Statewide Community Action Network's Economic Micro Business Recovery Assistance for the COVID-19 Epidemic (EMBRACE) to assist the Vermont microbusiness owners impacted by COVID-19 and for new businesses started by individuals who have been impacted by the COVID-19 pandemic through layoffs, furloughs, or reduced hours or due to being employed in an industry that has been severely affected.

Sec. H.14 STATE BUSINESS DEVELOPMENT; BLACK, INDIGENOUS,  
AND PERSONS OF COLOR

(a) Intent.

(1) Racial wealth disparities are a function of not only access to income but also the ability to start and sustain a business, access land, and own property.

(2) Vermont embraces its responsibility to course correct the historical impact of economic exploitation and exclusion from opportunity due to race and ethnicity for American descendants of slavery and the broader Black, Indigenous, and Persons of Color community.

(3) In order to rectify this history of inequity, it is the intent of this General Assembly to acknowledge and address wealth disparity and cultural disempowerment by creating economic opportunity and cultural empowerment, using new systems that empower Vermonters who have historically suffered from discrimination and lacked equal access to public or private economic benefits due to race, ethnicity, geography, language preference, and immigrant or citizen status.

(b) Findings.

(1) The Vermont Partnership for Fairness and Diversity conducted a survey of BIPOC businesses after the Emergency Recovery Grant programs closed. The survey analysis included three core recommendations: form a state BIPOC Commission, create a BIPOC business association, and improve data collection and the State's understanding of BIPOC business needs.

(2) The Committee sought information from over a dozen BIPOC business and community and State leaders to learn what BIPOC businesses need to be economically successful in Vermont. Core findings included:

(A) allow BIPOC businesses to lead and define how to strengthen economic development for BIPOC-owned businesses and what organizational structures would best support the Vermont BIPOC business community;

(B) offer more support to BIPOC businesses by assisting them in procuring State contracts, securing capital investment and customer cultivation, and finding technical support;

(C) improve language access and cultural competency practices within State economic development programs and strengthen connections to BIPOC businesses; and

(D) improve State data collection to better serve the variety of identities represented within the BIPOC community.

(3)(A) The Secretary of State, in cooperation with the Agency of Digital Services, is leading the development project for the creation of a business portal to deliver a single point of entry for Vermont businesses to interact with the State across multiple agencies and departments.

(B) When the portal becomes active, which is projected to occur in 2022, the Secretary of State will collect data on race, ethnicity, and gender for individuals registering businesses.

(c) BIPOC business development project.

(1)(A) The Agency of Commerce and Community Development shall use the \$150,000.00 appropriated in Sec. G.300(a)(18) to provide funding for one or more contractors to convene BIPOC businesses, organizations, and community leaders; other business organizations; and representatives from the Agency of Commerce and Community Development and other State agencies and departments as necessary, to create a set of recommendations on how to support BIPOC business development, which may include the creation of a BIPOC business network, the creation of minority business development center or authority, or one or more other similar entities or organizations.

(B) Not more than five percent of the amount appropriated in this section may be used for administrative purposes, including translation services.

(2) The Executive Director of Racial Equity and the Racial Equity Advisory Panel, with the collaboration and support of the Agency of Commerce and Community Development, shall:

(A) issue a request for proposals on or before August 15, 2021; and

(B) finalize hiring and ensure that work under any contracts issued begins on or before October 15, 2021.

(3)(A) The request for proposals shall include the following requirements for a qualified contractor:

(i) demonstrated experience working with BIPOC businesses or populations, or both;

(ii) knowledge of the Vermont business industries and concentrations of BIPOC-owned businesses;

(iii) proposal on how to convene stakeholders, provide information, and conduct outreach that includes language access for limited English-proficient individuals;

(iv) economic and business development expertise; and

(v) experience in organizational structures.

(B) In making their selection, the Panel, Executive Director, and Agency shall give priority to a contractor with experience working with BIPOC-owned businesses and knowledge of the Vermont business community.

(C) The Agency shall cause the request for proposals to be translated upon request of a potential applicant.

(4)(A) On or before February 15, 2022, each contractor shall deliver to the Panel, the Director, the Agency, and the legislative committees of jurisdiction a preliminary report on financial resources and policy changes needed to support BIPOC business development.

(B) On or before July 1, 2022, each contractor shall submit a final report summarizing the process and deliberations and a final set of

recommendations on what entities, organizations, or other measures will best support BIPOC business development.

(d) Collection of data.

(1)(A) The Secretary of State shall collect race, ethnicity, and gender data for individuals registering businesses in the State of Vermont as part of its business portal and for individuals seeking licensure, certification, or registration through the Office of Professional Regulation.

(B) The Secretary shall ensure that data collection pursuant to this subsection is achieved through voluntary procedures and the collection of data does not affect, and does not create the perception that the information provided affects, any action of the Secretary or the Office of Professional Regulation.

(2) The Secretary shall provide data from the portal and from the Office of Professional Regulation to the Secretary of Administration, who shall make the data available to relevant agencies and departments within State government to inform economic development policy priorities and strategies as it relates to BIPOC-, women-, and gender non-binary-owned businesses and their needs as businesses and employers.

(3) Once completed, the Secretary of State shall incorporate recommendations related to data collection from the BIPOC business development project created in this section.

Sec. H.15 ENTREPRENEURS' SEED CAPITAL FUND

(a) Entrepreneurs' Seed Capital Fund. The Entrepreneurs' Seed Capital Fund, created by the Vermont Economic Development Authority pursuant to 10 V.S.A. § 291, is a \$5.1 million revolving "evergreen" capital fund in operation since 2010 serving Vermont's entrepreneurs and early-stage technology-enabled companies for job growth, income potential, and wealth creation. Since inception, the Fund's portfolio companies have now raised in excess of \$182 million. The Fund is professionally managed by the Vermont Center for Emerging Technologies (VCET).

(b) Appropriation. The General Assembly has appropriated the amount of \$900,000.00 from the General Fund to the Entrepreneurs' Seed Capital Fund in Sec. G.300(b)(2) of this act to provide risk stage seed capital to Vermont businesses that have experienced economic disruption either through reduced business, new business formation, or through an unmanageable increase in new business.

(c) Investment; categories. Notwithstanding any provision of 10 V.S.A. § 290 to the contrary, the Fund shall invest in businesses consistent with the following:

(1) The Fund shall invest in rapid seed and early growth stage employers that have a viable plan for recovery and growth.

(2) The Fund shall make expedited investments using simplified investment terms and instruments, including stock, convertible notes, forgivable loans, royalty financing, or grants with equity warrants.

(3) The expected range per new investment is \$20,000.00 to \$100,000.00 from this appropriation.

(4) The Fund shall prioritize sourcing and funding on BIPOC-, veteran-, and women-owned businesses.

(5) In continuing to serve the Vermont innovation ecosystem and notwithstanding the expedited program timeline, the Fund shall pursue co-investment participation from local and regional investors, including Vermont venture funds, family offices, community foundations, accredited individual “angel” investors, lending institutions, and other relevant sources.

(6) Prior to providing seed capital, the Fund may ensure that an applicant has consulted with, and has accessed any available funding from, the Vermont Economic Development Authority.

(d) Eligibility. For-profit Vermont businesses are eligible except where other significant State appropriated Coronavirus Relief Fund program resources have been directed. These excluded sectors include:

(1) traditional in-person retail operations;

(2) lodging, hospitality, and real estate operations; and

(3) restaurants and food service operations.



Sec. H.16 10 V.S.A. § 291(b)(3) is amended to read:

(3)(A) Before the Fund makes any investments, the Fund shall have and maintain a board of five advisors who shall be appointed as follows: two shall be appointed by the Authority, two shall be appointed by the Fund manager, and one shall be appointed jointly by the Authority and the Fund manager.

(B) The appointing authorities shall coordinate their appointments to ensure that the Board comprises advisors with diverse professional and personal backgrounds and experiences.

(C) The Board of Advisors shall represent solely the economic interest of the State with respect to the management of the Fund and shall have no civil liability for the financial performance of the Fund.

(D) The Board of Advisors shall be advised of investments made by the Fund and shall have access to all information held by the Fund with respect to investments made by the Fund.

Sec. H.17 SEED CAPITAL FUND; REPORT

On or before January 15, 2022 the Seed Capital Fund shall report to the Senate Committee on Economic Development, Housing and General Affairs and to the House Committee on Commerce and Economic Development concerning:

(1) whether and how the Fund and the Vermont Economic Development Authority can integrate preferential treatment and provide continuing

investment through its lending programs for businesses that have received capital investment from the Fund; and

(2) the Fund’s efforts and outcomes to prioritize sourcing and providing funding to BIPOC-, veteran-, and women-owned businesses pursuant to Sec. H.16 of this act.

\* \* \* Capital Investment Grants \* \* \*

#### Sec. H.18 CAPITAL INVESTMENT GRANT PROGRAM

(a) Creation; purpose; regional outreach.

(1) The Agency of Commerce and Community Development shall use the \$10,580,000 appropriated to the Department of Economic Development in Sec. G.300(a)(12) of this act to design and implement a capital investment grant program consistent with this section.

(2) The purpose of the program is to make funding available for transformational projects that will provide each region of the State with the opportunity to attract businesses, retain existing businesses, create jobs, and invest in their communities by encouraging capital investments and economic growth.

(3) The Agency shall collaborate with other State agencies, regional development corporations, regional planning commissions, and other community partners to identify potential regional applicants and projects to ensure the distribution of grants throughout the regions of the State.

(b) Eligible applicants.

(1) To be eligible for a grant, an applicant shall meet the following criteria:

(A) The applicant is located within this State.

(B) The applicant is:

(i)(I) a for-profit entity with not less than a 10 percent equity interest in the project; or

(II) a nonprofit entity; and

(ii) grant funding from the Program represents not more than 50 percent of the total project cost.

(C) The applicant demonstrates:

(i) community and regional support for the project;

(ii) that grant funding is needed to complete the project;

(iii) leveraging of additional sources of funding from local, State, or federal economic development programs; and

(iv) an ability to manage the project, with requisite experience and a plan for fiscal viability.

(2) The following are ineligible to apply for a grant:

(A) a State or local government-operated business;

(B) a municipality;

(C) a business that, together with any affiliated business, owns or operates more than 20 locations, regardless of whether those locations do business under the same name or within the same industry; and

(D) a publicly-traded company.

(c) Awards; amount; eligible uses.

(1) An award shall not exceed the lesser of \$1,500,000.00 or the estimated net State fiscal impact of the project based on Agency modeling.

(2) A recipient may use grant funds for the acquisition of property and equipment, construction, renovation, and related capital expenses.

(3) A recipient may combine grant funds with funding from other sources but shall not use grant funds from multiple sources for the same costs within the same project.

(4) The Agency shall release grant funds upon determining that the applicant has met all Program conditions and requirements.

(5) Nothing in this section is intended to prevent a grant recipient from applying for additional grant funds if future amounts are appropriated for the program.

(d) Data model; approval.

(1) The Agency shall collaborate with the Legislative Economist to design a data model and related methodology to assess the fiscal, economic, and societal impacts of proposals and prioritize them based on the results.

(2) The Agency shall present the model and related methodology to the Joint Fiscal Committee for its approval not later than September 1, 2021.

(e) Application process; decisions; awards.

(1)(A) The Agency shall accept applications on a rolling basis for three-month periods and shall review and consider for approval the group of applications it has received as of the conclusion of each three-month period.

(B) The Agency shall make application information available to the Legislative Economist and the Executive Economist in a timely manner.

(2) Using the data model and methodology approved by the Joint Fiscal Committee, the Agency shall analyze the information provided in an application to estimate the net State fiscal impact of a project, including the following factors:

(A) increase to grand list value;

(B) improvements to supply chain;

(C) jobs impact, including the number and quality of jobs; and

(D) increase to State GDP.

(3) The Secretary of Commerce and Community Development shall appoint an interagency team, which may include members from among the Department of Economic Development, the Department of Housing and Community Development, the Agency of Agriculture, Food and Markets, the Department of Public Service, the Agency of Natural Resources, or other State

agencies and departments, which team shall review, analyze, and recommend projects for funding based on the estimated net State fiscal impact of a project and on other contributing factors, including:

(A) transformational nature of the project for the region;

(B) project readiness, quality, and demonstrated collaboration with stakeholders and other funding sources;

(C) alignment and consistency with regional plans and priorities; and

(D) creation and retention of workforce opportunities.

(4) The Secretary of Commerce and Community Development shall consider the recommendations of the interagency team and shall give final approval to projects.

(f) Grant agreements; post award monitoring. If selected by the Secretary, the applicant and the Agency shall execute a grant agreement that includes audit provisions and minimum requirements for the maintenance and accessibility of records that ensures that the Agency and the Auditor of Accounts have access and authority to monitor awards.

(g) Report. On or before December 15, 2021 the Agency shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning the implementation of this section, including:

(1) a description of the implementation of the program;

(2) the promotion and marketing of the program;

(3) an analysis of the utilization and performance of the program,

including the projected revenue impacts and other qualitative and quantitative returns on investment in the program based on available data and modeling.

\* \* \* Economic Recovery Grants \* \* \*

#### Sec. H.19 ECONOMIC RECOVERY GRANTS

(a) The Agency of Commerce and Community Development shall use the \$20,000,000.00 appropriated to it in Sec. G.300(a)(13) of this act for Economic Recovery grants and the amounts appropriated to it in 2021 Acts and Resolves No. 9, Sec. 3 to provide grants to businesses consistent with the requirements of that Sec. 3 and further subject to the following:

(1) The value of a grant shall not exceed the lesser of a business's net adjusted loss, three months of fixed expenses, or \$150,000.00.

(2) The Agency shall defer final calculation and payment of grant awards for a reasonable period of time to determine the availability of COVID-19-related financial assistance from other State and federal sources.

(3) The Agency may adjust the calculation of tax loss for non-COVID-19-related items, including carryforward losses and depreciation.

(b) The Agency of Commerce and Community Development shall provide grants to businesses subject to the provisions and guidance controlling

economic relief funds that are available through the American Rescue Plan Act of 2021, as follows:

(1) Program to respond to economic harm.

(A) The Agency shall design and implement the economic recovery grant program to ensure that grants provided to businesses respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts.

(B) In assessing whether a program or service “responds to” the COVID-19 public health emergency, the Agency shall, first, identify a need or negative impact of the COVID-19 public health emergency and, second, identify how the program addresses the identified need or impact.

(2) Program response is related and proportional to harm.

(A) The Agency shall ensure that its program response is related and reasonably proportional to the extent and type of harm experienced.

(B) Uses that bear no relation or are grossly disproportionate to the type or extent of harm experienced are not eligible uses.

(3) Economic harm resulting from or exacerbated by COVID-19.

(A) The Agency shall design and implement the economic recovery grant program to address economic harms resulting from or exacerbated by the public health emergency.



(B) The Agency shall assess the connection between the negative economic harm and the COVID-19 public health emergency, the nature and extent of that harm, and how the use of this funding would address such harm.

(C) While recognizing that economic impacts may either be immediate or delayed, the Agency shall not provide assistance to a business that did not experience a negative economic impact from the public health emergency and that therefore would not be an eligible recipient of funds.

(4) Recognizing harm to certain industries.

(A) The Agency shall recognize that certain industries, such as tourism, travel, and hospitality, were disproportionately and negatively impacted by the COVID-19 public health emergency. Aid provided to tourism, travel, and hospitality industries should respond to the negative economic impacts of the pandemic on those and similarly impacted industries.

(B) Aid may be considered responsive to the negative economic impacts of the pandemic if it supports businesses, attractions, business districts, and Tribal development districts operating prior to the pandemic and affected by required closures and other efforts to contain the pandemic.

(C) When considering providing aid to industries other than tourism, travel, and hospitality, the Agency shall consider the extent of the economic impact as compared to tourism, travel, and hospitality.

(D) The Agency shall also consider whether impacts were due to the COVID-19 pandemic, as opposed to longer-term economic or industrial trends unrelated to the pandemic.

(c) On or before December 15, 2021, the Agency shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning the implementation of this section, including detailed information concerning business grant recipients and recommendations for any necessary legislative action to adjust program criteria and benefits.

\* \* \* Apprenticeships \* \* \*

#### Sec. H.20 APPRENTICESHIPS

(a) The Department shall use the \$2,000,000.00 appropriated to it in Sec. G.300(a)(6) of this act for the expansion of registered apprenticeship enrollment in current or new programs as described below:

(1) The Department shall use not more than \$100,000.00 to conduct a comprehensive outreach and recruitment effort to enroll new workers into a federally recognized registered apprenticeship program.

(2) The Department shall use not more than \$1,525,000.00 for related instruction or on-the-job training costs for new apprentices and shall develop a standard system of for application for reimbursement not later than August 1, 2021.

(3) The Department shall use not more than \$375,000.00 to provide vouchers of not more than \$750.00 for new apprentices or their sponsors to pay for equipment, tools, supplies, or textbooks needed during their first year.

(b) The Department may use not more than eight percent of the amounts appropriated in this section to administer the grants and activities described above.

(c) The Department shall provide funding pursuant to this section consistent with the following priorities:

(1) expanding new apprenticeship opportunities rather than supplanting existing employer-funded opportunities;

(2) supporting vocations that otherwise lack, or are unlikely to have sufficient, sources of funding for apprenticeships;

(3) prioritizing apprenticeship enrollment in building or trades programs;

(4) identifying and accessing other sources of funds for apprenticeships specifically available to certain vocations;

(5) targeting where apprenticeship training can leverage other funds; and

(6) prioritizing readily expandable building trade apprenticeships.

\* \* \* Effective Dates \* \* \*

#### Sec. I.100 EFFECTIVE DATES

(a) This section and Secs C.100 through C.116 (fiscal year 2021 one-time

appropriations, adjustment and amendments), Sec. E.128.1 (legislative facility coordinator), Sec. F.112 (one-time salary payments authorized), Sec. G.400(b)(1) (affordable housing initiatives), and Sec. G.700(b) (State-owned dams) shall take effect upon passage.

(b) Notwithstanding 1 V.S.A. § 214, Sec. E.306.1 (Vermont Health Benefit Exchange) shall take effect on October 1, 2021.

(c) Notwithstanding 1 V.S.A. § 214, Sec. E.501.1(a) shall take effect retroactively on July 1, 2020.

(d) All remaining sections shall take effect on July 1, 2021.