

H.790 – Fiscal Year 2026 Budget Adjustment Act
As Recommended by the Senate Committee on Appropriations

Fiscal Year 2026 Total Appropriations						
(\$ millions)	General Fund	Federal Funds	Transportation Fund	Education Fund	All Other Funds	Unduplicated Totals
FY 2026 as Enacted	2,451.32	3,154.23	359.15	2,430.44	693.88	9,089.03
Governor's Recommend	46.66	47.08	-	(1.00)	2.36	95.09
House Changes	0.05	0.47	0.00	-	3.64	4.16
Senate Changes	0.01	-	-	-	-	-
FY 2026 BAA Total	2,498.05	3,201.78	359.15	2,429.44	699.88	9,188.28
Transfers from the General Fund	313.00					
Reserved for FY 2027	74.91					
Total General Fund Used	2,885.96					

OVERVIEW

This budget adjustment maintains all statutory reserves, meets all pension obligations, and adjusts essential investments in human services, housing, health care, and other major areas.

REVENUE OVERVIEW

Total General Fund revenue utilized for this budget adjustment equals approximately \$2,886.0 million, an increase of \$111.3 million over the Budget as Enacted. Additional revenue comes from the January 2026 consensus revenue forecast, which was \$80.6 million higher than the forecast originally used to build the budget, and \$30.7 million more from other General Fund sources than what was in the Budget as Enacted.

BUDGET CONTEXT

Of the \$2,886.0 million General Fund revenue, \$2,498.1 million is appropriated, \$313.0 million is transferred to other funds and reserves, and \$74.9 million is set aside for use in fiscal year 2027 to address federal funding shortfalls, property tax relief, or other uses determined to be in the best interest of the public. Total appropriations from all funds (unduplicated) equal \$9,188.3 million.

BASE APPROPRIATION ADJUSTMENTS

1. Provides \$870,000 General Fund to the State Police for overtime costs.
2. Provides \$180,000 General Fund to the Department of State's Attorneys and Sheriffs for overtime and administrative costs relating to transport deputies.
3. Provides \$14.1 million Global Commitment (\$5.8 million General Fund, \$8.3 million federal funds) to the Department of Disabilities, Aging and Independent Living for Extraordinary Financial Relief for nursing homes.
4. Provides \$390,000 General Fund to the Department of Mental Health for traveling nurse contracts at the State Hospital.
5. Provides \$4.6 million General Fund to the Department of Corrections (DOC) for a health care contract amendment to address average daily population increases in DOC facilities.
6. Provides \$105,217 General Fund to the Agency of Natural Resources to cover increased costs associated with summer wildfires.



7. Provides \$1.3 million General Fund to the Department for Children and Families for distribution to Housing Opportunity Program partners to sustain homelessness prevention services.
8. Shifts \$3.4 million from the General Fund to the PILOT Special Fund for Grand List reappraisals and adjustments.
9. Funds caseload and utilization adjustments across programs within the Agency of Human Services, including \$34.3 million in Medicaid caseload adjustments.

ONE-TIME GENERAL FUND APPROPRIATIONS AND TRANSFERS

1. Provides \$500,000 General Fund to the Agency of Administration for Community Accountability Court Project expense reimbursement to other State entities.
2. Provides \$3.0 million General Fund to the Vermont State Teachers' Retirement System to ensure the Actuarially Determined Employer Contribution is fully funded in fiscal year 2026.
3. Provides additional \$800,000 Global Commitment (\$329,520 General Fund, \$470,480 federal funds) to the Department of Vermont Health Access to mitigate nonemergency medical transportation provider deficits.
4. Provides \$2.7 million General Fund to the Department of Vermont Health Access to migrate Vermont Health Connect to a cloud-based platform to maintain compliance with federal requirements.
5. Provides \$167,000 General Fund to the Department of Health for the Bridges to Health Program.
6. Provides \$192,000 General Fund and \$228,000 Substance Misuse Prevention Fund to the Department of Health for distribution to six recovery centers across Vermont.
7. Provides additional \$360,000 General Fund to the Agency of Agriculture, Food and Markets for a grant to the Vermont Foodbank.
8. Authorizes the Emergency Board to transfer part of \$50.0 million General Fund appropriation set in Sec. B.1101 of Act 27 (2025) to provide housing voucher funding in fiscal years 2026 and 2027.
9. Restores \$1.0 million in reverted General Fund to the Land Access and Opportunity Board for its Homes for All Initiative and for Community Resilience grants.
10. Transfers \$1.1 million from the General Fund to the Criminal History Records Check Fund to mitigate a fund deficit and directs the Department of Public Safety to provide a sustainability plan for the Fund.

OTHER

1. Directs the Department of Disabilities, Aging and Independent Living to increase payments to designated and specialized service agencies in fiscal year 2026 to mitigate the impacts of the transition to a new payment model. Directs the Commissioner of Finance and Management to unreserve funds from the Human Services Caseload Reserve if the Agency of Human Services cannot pay for these costs with prior appropriations.
2. Includes necessary statutory and net-neutral budgetary changes to reorganize legislative operations functions within the Office of Legislative Counsel and the Joint Fiscal Office.

