

# H. 493 – Fiscal Year 2026 Appropriations Act

## Conference Committee [Report](#)

Source: JFO Fiscal Year 2026 Budget<sup>1</sup>

Summary of Appropriations (\$ millions)	General Funds	Federal Funds	Transportation Funds	Education Funds	All other funds	Unduplicated totals
FY 2025 incorporated into H.493	\$2,272.30	\$3,180.56	\$373.70	\$2,310.70	\$603.28	\$8,740.54
FY 2026	\$2,461.88	\$3,154.23	\$359.15	\$2,430.44	\$691.43	\$9,097.13
FY 2026 change over FY 2025	\$189.58	-\$26.33	-\$14.55	\$119.74	\$88.15	\$356.59

*Note: amounts reflect unduplicated appropriations and only include bills directly tied to the Appropriations Act. Numbers may not add due to rounding.*

### **GENERAL FUND REVENUE OVERVIEW**

This budget fills all statutorily required reserve requirements, meets all pension obligations, stabilizes several special funds, and makes essential investments in public safety, human services, housing, and other major areas.

### **REVENUE OVERVIEW**

This budget is built upon the January 2025 official consensus revenue forecast of \$2,403.7 million in addition to other General Fund sources of \$126.0 million. After recognizing the cost of potential additional tax exemptions, projected at \$13.5 million, the total available fiscal year General Fund revenue to support this budget is \$2,516.2 million. This budget also relies on carryforward funds from fiscal year 2025 in the amount of \$139.0 million, bringing total General Fund sources to \$2,655.2 million.

### **BUDGET CONTEXT**

This budget addresses many of the ongoing challenges Vermont faces, including the end of COVID-related federal funding, human services caseload and utilization pressures, and stabilizing property tax growth. All statutorily required reserves are filled, all pension obligations are met, including the Actuarially Determined Employer Contribution, and essential investments in housing, workforce, economic development, human services, and education are made. In addition, all fiscal year 2025 budget adjustments are incorporated into H.493.

To develop this budget, the Committee of Conference worked with administration officials, standing committees and many interested stakeholders, including members of the public and legislators who testified at public hearings or submitted written testimony during the budget building process. General Fund appropriations total \$2,461.9 million and \$190.8 million is transferred to other funds and reserves. \$2.5 million remains unspent (unreserved and unallocated) for future budget needs. Total appropriations from all funds (unduplicated) are \$9.1 billion.

## **HIGHLIGHTS OF BASE APPROPRIATIONS**

### **HOUSING**

- Fully funds the Vermont Housing and Conservation Board (VHCB) at statutory level of \$36.9 million
- Provides \$2.0 million to the Department of Housing and Community Development (DHCD) for the Manufactured Home Improvement and Repair Program (MHIR)
- Adds \$1.6 million for the Land Access Opportunity Board previously funded as a one-time expenditure
- Provides \$29.7 million for the Housing Opportunity Grant Program (HOP) that assists homeless individuals in addition to \$3.35 million added to support new shelters opened in fiscal year 2025
- Maintains \$446,253 to address youth homelessness
- Maintains \$8.1 million base appropriation for General Assistance Emergency Housing

<sup>1</sup> The full Big Bill web report, which provides a summary of all appropriations is available at:

[https://ljfo.vermont.gov/custom\\_reports/reports/BigBill/v1/FY%202026%20Big%20Bill%20Conference%20Web%20Report\(13\).html](https://ljfo.vermont.gov/custom_reports/reports/BigBill/v1/FY%202026%20Big%20Bill%20Conference%20Web%20Report(13).html)



## HUMAN SERVICES

- Provides a 5% rate increase for infant and toddler care in the Child Care Financial Assistance Program (CCFAP)
- Provides \$5.1 million General Fund (\$12.1 million Global Commitment) for 2% rate increases for Designated Agencies, Specialized Service Agencies, and other non-Home Health Agency service providers
- Adds \$360,000 General Fund (\$855,000 Global Commitment) for alternatives to Emergency Room beds
- Funds Howard Center Outreach Program with \$160,000 General Fund and First Call grants that embed clinicians in pediatric offices with \$249,411 General Fund

## HEALTH CARE

- Updates Medicaid caseload and utilization projections to align with anticipated spending
- Provides \$4.5 million General Fund (\$10.7 million Global Commitment) for rate increases to Federally Qualified Health Centers (FQHCs) and Rural Health Centers (RHCs)
- Adds \$2.8 million General Fund (\$6.8 million Global Commitment) for match for Home and Community Based Services based on 2023 Rate Study
- Adds \$15.4 million Global Commitment for statutory nursing home rate increase and nursing home beds
- Provides \$5.7 million General Fund for the Vermont Veterans' Home budget

## OTHER

- Removes \$20.2 million Transportation Fund from the Department of Public Safety (DPS), making the funds available for transportation related projects
- Provides a 3% increase to the University of Vermont (UVM), Vermont State Colleges (VSC), and the Vermont Student Assistance Corporation (VSAC)
- Adds \$3.8 million to the Judiciary for Tech Fund revenue replacement and \$200,000 for security services cost of living adjustment (COLA)
- Adds \$650,000 to Sheriffs to restore vacancy savings, allowing existing transport deputy positions and one new transport deputy position to be filled
- Adds \$650,000 to the State's Attorneys to restore vacancy savings and adds one Fiscal and IT staff
- Establishes two new positions at the Human Rights Commission
- Adds funds to support a new Canine Trainer at the Criminal Justice Council
- Adds \$450,000 for the Urban Search and Rescue Team
- Establishes a process to manage moderate reductions to federal funds when the General Assembly is not in session and establishes a contingent appropriations list including resources to help mitigate any changes in available federal funds.

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## **HIGHLIGHTS OF FISCAL YEAR 2026 ONE-TIME APPROPRIATIONS**

### HOUSING

- \$30.5 million General Fund to DCF for General Assistance Emergency Housing
- \$2.0 million General Fund to DCF's Office of Economic Opportunity (DCF-OEO) for shelter bed expansion
- \$5.0 million General Fund to VHCB for housing initiatives
- \$2.8 million General Fund to VHCB for developmental disability housing initiatives per Act 186 (2022)
- \$4.0 million General Fund to DHCD for the Vermont Housing Improvement Program 2.0 (VHIP 2.0)



- \$16.1 million General Fund to DHCD for the Vermont Housing Finance Agency (VHFA) Middle-Income Homeownership Development and First Generation Homebuyer programs and the Rental Revolving Loan Fund
- \$7.5 million General Fund to DHCD for the Vermont Bond Bank Infrastructure Sustainability Fund
- \$235,000 General Fund to the Department of Disabilities, Aging and Independent Living (DAIL) for HomeShare

#### HEALTH CARE AND HUMAN SERVICES

- \$10.8. million Global Commitment to AHS for Support and Services at Home (SASH) and Blueprint for Health programs
- \$840,000 General Fund to the Department of Vermont Health Access (DVHA) for Comprehensive Payment Reform
- \$3.1 million General Fund to DVHA for the OneCare Primary Care Transition
- \$40,000 General Fund to the Department of Health (VDH) for Empty Arms Vermont
- Additional \$1.3 million Substance Misuse Prevention Fundings for recovery centers (\$800,000), recovery residences (\$300,000), and Mentor Vermont (\$200,000)
- \$240,000 General Fund to VDH and \$9.5 million General Fund transferred to the Environmental Contingency Fund for use by the Department of Environmental Conservation (DEC) for Polychlorinated Biphenyl (PCB) testing and remediation
- \$200,000 General Fund to the Department of Corrections (DOC) for facility conversion

#### HIGHER EDUCATION

- \$5.0 million General Fund to VSC for the final transformation bridge funding payment
- \$1.5 million General Fund to VSAC for Freedom and Unity grants
- \$750,000 General Fund to UVM for the Vermont Gallium Nitride Tech Hub

#### OTHER GENERAL FUND ONE-TIME HIGHLIGHTS

- Transfers \$77.2 million to the Education Fund be used for property tax relief
- \$450,000 to the Agency of Agriculture, Food and Markets (AAFM) for a grant to the Northeast Organic Farming Association of Vermont for the Crop Cash, Crop Cash Plus and Farm Share programs
- \$500,000 to AAFM for a grant to Vermont Foodbank for the Vermonters Feeding Vermonters Program
- \$600,000 to the Department of Public Safety (DPS) for State match for a cybersecurity grant
- \$800,000 to DPS for mobile and portable radio equipment
- \$10,000 to the Military Department for the USS Vermont Support Group
- \$1.1 million to the Agency of Administration for the Truth and Reconciliation Commission
- Transfers \$450,000 to the Domestic and Sexual Violence Special Fund to support the Center for Crime Victim Services community-based services
- \$148,000 to the Treasurer for the Volunteer Income Tax Assistance Program (VITA)
- \$150,000 to the Department of Labor (DOL) for Advance Vermont
- \$1.6 million to the Department of Human Resources (DHR) for modernization of the classification system
- \$50,000 to DEC for Municipal Wastewater Connections Database
- \$850,000 to DEC for the Concentrated Animal Feeding Operation database project
- Includes additional support for communities impacted by flooding events in 2023 and 2024



## **OTHER BILLS AND INITIATIVES ACCOUNTED FOR IN THE FISCAL YEAR 2026 BUDGET**

### **H.91 – AN ACT RELATING TO THE VERMONT HOMELESS EMERGENCY ASSISTANCE AND RESPONSIVE TRANSITION TO HOUSING PROGRAM**

- Sets aside \$10.0 million to support Emergency Housing transition

### **H.454 – AN ACT RELATING TO TRANSFORMING VERMONT’S EDUCATION GOVERNANCE, QUALITY, AND FINANCE SYSTEMS**

- Sets aside \$4.0 million to support Education transformation

### **H.472 – AN ACT RELATING TO PROFESSIONS AND OCCUPATIONS REGULATED BY THE OFFICE OF PROFESSIONAL REGULATION**

- Sets aside \$170,000 to fund a position for one year at the Secretary of State’s Office to support the regulation of mental health professions

### **H.494 – FISCAL YEAR 2026 CAPITAL BILL**

- Appropriates \$13.4 million from the Capital Infrastructure subaccount of the Cash Fund for capital projects authorized in H.494
  - \$1.5 million to the Department of Buildings and General Services (BGS) for statewide major maintenance
  - \$250,000 to BGS for statewide planning, reuse, and contingency
  - \$250,000 to BGS for statewide physical security enhancement
  - \$219,500 to BGS for State House repointing
  - \$250,000 to BGS for an uninterruptable power supply system at the Middlesex print and postal facility
  - \$6.9 million to BGS for Judiciary courthouse renovations
  - \$1.5 million to the Vermont Veterans’ Home for the American Unit
  - \$2.5 million to the Agency of Commerce and Community Development (ACCD) for infrastructure improvements to developments that are either municipally owned or leased
  - \$25,000 to the Department of Fish and Wildlife for the Lake Champlain Walleye Association
  - \$35,000 to DPS for the Vermont Rural Fire Protection Task Force dry hydrant program

### **S.27 – AN ACT RELATING TO MEDICAL DEBT RELIEF AND EXCLUDING MEDICAL DEBT FROM CREDIT REPORTS**

- Accounts for funding needed to support the appropriation made to the State Treasurer to contract with a nonprofit entity to acquire and repay certain medical debts incurred by Vermont residents

### **S.126 – AN ACT RELATING TO HEALTH CARE PAYMENT AND DELIVERY SYSTEM REFORM**

- Sets aside \$3.5 million for health care payment and delivery system reform initiatives including reference-based pricing

### **OTHER**

- Accounts for \$27.8 million General Fund in anticipation of the Pay Act appropriated in Act 113 (2024)
- Sets aside \$13.5 million for various anticipated changes to tax exemptions

