

MEMORANDUM

TO: Joint Fiscal Committee Members
FROM: Kathryn O'Neill, Administrator, Vermont Tobacco Evaluation and Review Board
COPY: Theresa Utton-Jerman, Staff Associate, Joint Fiscal Committee
SUBJECT: Tobacco Prevention, Cessation and Control Program budget recommendations from VT Tobacco, Evaluation & Review Board [18 V.S.A. Sec. 9505 (9)] [Agency of Human Services]
DATE: November 12, 2015

On behalf of the Vermont Tobacco Evaluation and Review Board (VTERB), the base budget for tobacco control appropriations derived from Master Settlement Agreement (MSA) funds for the Departments of Health and Liquor Control, the Agency of Education, and the Tobacco Evaluation and Review Board should be level-funded compared to the FY2015 budget; that is a total of approximately \$3,928,567 for FY17. This includes \$257,507 in global commitment dollars allocated to the Vermont Department of Health in FY2016.

In the FY2016 budget (AHS Tobacco Fund line), VTERB sustained a cut of \$199,698 associated with the proposal to eliminate VTERB's independent powers and duties, including elimination of independent evaluation activities, and establish it as an advisory board only to the Department of Health with a \$25,000 budget. The General Assembly rejected the proposal, restored VTERB's full independent powers and duties, but did not restore the associated \$199,698 cut.

Per Sec. E. 300.3 of H.490 Fiscal Year 2016 Appropriations,

- (a) In fiscal year 2016, up to \$175,000 proportionately allocated from the tobacco funds appropriated to all entities excluding the Global Commitment waiver, shall upon request of the Tobacco Evaluation and Review Board be transferred to the Agency of Human Services for the costs of program administration and evaluation activity approved by the Board.

Recognizing the impact a transfer of funds would have on our state partners and the overall tobacco control program, VTERB requested a shift of \$110,000. Consequently, this produced an across the board cut in tobacco program funding for FY2016. See chart below.

**FY16 Tobacco Funds Appropriated to All Entities Excluding Global Commitment Proportional Allocation of \$110,000
Transfer of Funds to the Vermont Tobacco Evaluation and Review Board, Agency of Human Services**

Entity	Tobacco Funding FY16	2.107% of Total Funding (\$5,220,467)	Dollar Amount of appropriation transfer	Resulting FY16 Tobacco Fund Allocation
Office of the Attorney General	\$348,000	*.02107	- \$7,333	\$340,667
Judiciary	\$39,871	*.02107	- \$840	\$39,031
Department of Liquor Control	\$218,444	*.02107	- \$4,603	\$213,841
Department of Health - Tobacco	\$2,461,377	*.02107	- \$51,863	\$2,409,514
Department of Health - ADAP	\$1,386,234	*.02107	- \$29,209	\$1,357,025
Agency of Education	\$766,541	*.02107	- \$16,152	\$750,389
Tobacco Evaluation and Review Board	\$25,000		+ \$110,000	\$135,000