



**GENERAL ASSEMBLY**  
**STATE OF VERMONT**  
LEGISLATIVE JOINT FISCAL COMMITTEE

Monday, April 27, 2020

Minutes

Video Conference

Members present: Representatives Ancel, Fagan, Hooper, Lippert, and Toll and Senators Ashe, Cummings, Kitchel, Sears, and Westman.

Other attendees: Joint Fiscal Staff and various viewers on live stream.

Representative Toll, Vice-Chair, called the meeting to order at 9:03 a.m. Senator Sears moved to approve the minutes of April 20, 2020 meeting, and Senator Westman seconded the motion. The Committee passed the motion and approved the minutes on a unanimous voice vote.

A. COVID-19 Relief Funds Grant Process – 1. Administration’s presentation on its proposed CRF grant submission; timing and content

Adam Greshin, Commissioner, Department of Finance & Management, explained that the Administration was working on flexibility language, including small businesses not able to apply for Unemployment Insurance benefits. He stated that the \$60 million threshold in the Committee’s framework proposal for the acceptance of the CRF grant was too low, and that estimated costs associated with the COVID-19 emergency response initiatives have already exceeded that amount. There was an additional \$37 million in excess receipts since the Administration’s last supplemental COVID-19 quarterly report that was submitted on April 17, 2020, for a total of \$68 million. In addition, \$27 million was awarded to the Department of Labor in anticipation of federal funds to address the increased volume of Unemployment Insurance (UI) claims. These funds are expected to be paid from the UI fund. Senator Cummings joins the Committee and resumes as the Chair.

In response to the Committee’s questions, the Commissioner explained that the Administration proposed to combine tier 2 into tier 1 of the Committee’s proposed grant acceptance conditions to allow the Administration total flexibility for \$210 million of the CRF grant. The Committee requested the Commissioner submit a written summary of the expenditures and costs associated with each of the Administrations initiatives for the funds as soon as possible.

The Commissioner explained that some COVID-19 expenses may be replaced by FEMA funds, but it was unclear how much State match was required. He noted that the CRF grant did not require a state match.

## 2. Review and Discussion of Grant Acceptance Conditions

Senator Kitchel moved to adopt the framework as presented for acceptance of the CRF grant with the option to revisit the amounts in each of the tiers at a later meeting, and Senator Westman seconded the motion. The motion was adopted on a 11-0 roll call vote.

Stephen Klein, Chief Fiscal Officer, Legislative Joint Fiscal Office, responded to inquiries on transparency of future COVID-19 grants submitted by the Administration. The Office was currently building an online structure for all COVID-19 grants submitted to the Committee that was similar to the current online grant database and would be made available to the General Assembly through the Office's website.

### B. Grant JFO #3002 – \$2,000,000 from the Substance Abuse and Mental Health Services Administration (SAMHSA) to the VT Department of Health. Funds will be used to provide crisis intervention and mental health support for individuals impacted by the COVID-19 pandemic. [JFO received 04/22/20]

Paul Daley, Financial Director, Vermont Department of Health, explained that the \$2 million grant was for a collaborative project between the Departments of Health and Mental Health for substance use treatment. The grant was announced April 1, applications were due on April 10, and spending began on April 20. More than 80% of the funding would be used for direct services provided by designated agencies within the mental health system and by preferred providers and peer recovery services of substance use disorder. The State was tasked to develop a comprehensive plan to address services for a target audience with serious mental illness and substance use disorders as well as those with less severe mental health disorders, including those within the health care profession. Due to the short timeline of the grant, the plan would be developed during the project roll out.

Mr. Daley responded to the Committee's questions that the funding was indeed small for the size of the project, and there was no promise for additional funding; the Departments planned to begin work as soon as the grant was approved to meet the needs the grant was designed to address, and there were no new hires for the project.

Senator Sears moved to approve acceptance of the grant, and Senator Kitchel seconded the motion. The Committee approved the motion and accepted the grant.

Acting Commissioner Michael Harrington was not able to testify due to another meeting, but the Committee requested his testimony be sent in writing and to reschedule him for the next meeting. The Committee requested the Administration return to present the AA1 grant approval for \$1.25 billion.

The Committee agreed to meet every Monday at 8:30 a.m. and would add meetings if the need arose. The Committee adjourned at 10:11 a.m.

Respectfully Submitted,

Theresa Utton-Jerman  
Legislative Joint Fiscal Office