

## Theresa Utton-Jerman

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**Subject:** Review of AA-1 form

[A message from Rebecca Wasserman, Legislative Counsel]

Dear Joint Fiscal Committee members:

You have asked for a review of the corrected AA-1 grant request form (#3004) from the Administration for the Coronavirus Relief Fund allocation to Vermont and whether there are any implications for the language differences between the form and the grant conditions adopted by the Joint Fiscal Committee (“JFC adopted conditions”).

At a minimum, because the AA-1 form does not reference the JFC adopted conditions, this could create ambiguity as to how these conditions would apply with respect to the allocation of funds accepted under the grant. One option to resolve this ambiguity would be to amend the AA-1 form to include language to reference the application of the JFC adopted conditions to the grant. An alternative would be for the JFC to approve the grant clarifying that the JFC conditions would control in the event of an inconsistency.

In addition, I have the following comments regarding the interpretation of the Administration’s language:

- For the Level one and Level two language, it is helpful that the Administration’s language clarifies that the funds would be subject to excess receipts requests. I do note that the Level one language in the JFC adopted conditions is specifically for “health and safety or other emergency response needs”. The grant form simply references “Excess Receipts Requests approved by the Secretary of Administration.” It might be helpful to include a reference in the grant form here that the excess receipts requests must be related to health, safety, or other emergency response.
- Similarly, in the JFC adopted conditions, the Level 2 language is for “time-sensitive critical needs” that require JFC pre-approval. However, the Level two language in the grant form simply requires JFC approval for making funds “available for allocation to the Secretary of Administration”.
- With respect to the Level three language, the language does not require that “future appropriations” would be subject to appropriation by the Legislature. As written, it suggests that appropriations may be made in other ways (JFC or through the Level 2 process). It is not clear that this is the intent of the JFC adopted conditions.
- Finally, the JFC adopted conditions differs from the AA-1 form with respect to certain terms, such as “authorized” for use vs. “available for allocation” and “distribution” of funds to a department. Without additional information on why these terms were chosen, I am unable to comment on whether there are any implications for this change in terminology.

Please let me know if there are any questions.

Thanks,

Becky

Rebecca Wasserman  
Office of Legislative Council  
115 State Street  
Montpelier, VT 05633-5301