



GENERAL ASSEMBLY
STATE OF VERMONT
LEGISLATIVE JOINT FISCAL COMMITTEE

Friday, November 20, 2020

Minutes

Videoconference

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

Other attendees: Joint Fiscal Office and Administration staff and various viewers on live stream.

Senator Cummings, Chair, called the meeting to order at 11:01 a.m., and Senator Westman moved to approve the minutes of November 5 and 9, 2020. Senator Sears seconded the motion and the Committee approved the motion and the minutes.

A. Administration's Fiscal Updates—Report on CRF Funds Available for Allocation—1. Source for Portion of Business Grants CRF Appropriation.

Adam Greshin, Commissioner, Department of Finance and Management, referred to a Coronavirus Relief Fund (CRF) [status sheet](#) submitted to the Committee and reviewed the approved Committee CRF allocations and reversions to date, and explained that \$4.3 million was needed to fulfill prior CRF obligations. The Administration was able to identify \$15.7 million in unspent available CRF from Departments to meet these prior obligations and to cover the current request for additional COVID-19 testing and other proposals, with \$2.8 million left on the bottom line for future uses.

Sarah Clark, Chief Financial Officer, Agency of Human Services, and Sarah Truckle, Director of Operations for the Child Development Division, Department for Children and Families, responded to questions on the Reach Up program savings from remote learning and school age care.

Representative Hooper requested that, at the next Committee meeting, the Administration give the status of wastewater and water supply arrearages, whether the \$500,000 appropriated to the program met the need and, if not, what the plan was to address that additional need. Commissioner Greshin responded the Administration was working on outreach to possible applicants and would return to the Committee if the program exceeds the appropriation. Additionally, the Commissioner confirmed that the possibility of a request to reallocate additional Hazard Pay at a Committee meeting soon.

2. CRF Request for Reallocations—Total Request \$8,500,000 for COVID-19 Testing

Jenney Samuelson, Deputy Secretary, and Sarah Clark, Chief Financial Officer, Agency of Human Services, presented the Administration's [CRF reallocation request](#) and responded to questions

from Committee members. Representative Lippert raised the question of the consistency of billing individual health care plans versus the usage of CRF for COVID-19 testing. The Deputy Secretary explained that health care information was not required by applicants when filling out the online test form, which averaged about 50% of applicants supplying their information. Providers were absorbing the costs, which could lead to an increase in health care rates in the future.

Senator Kitchel moved to accept the request by the Administration to reallocate \$8.5 million of CRF for additional COVID-19 testing, and Senator Westman seconded the motion. The Committee approved the motion and the request with a 10-0 roll call vote.

3. Vermont Coronavirus Economic Stimulus Equity Program Report

Xusana Davis, Executive Director, Racial Equity, Agency of Administration, explained that the Administration expected to have a signed contract within the next few days, and responded to questions.

B. Status of the Creation of New Correctional Officer Positions

Matt D'Agostino, Chief Financial Officer, Department of Corrections, explained the challenges that the Department has been faced with hiring correctional officers during the COVID-19 pandemic, including condensed training with smaller-sized classes. In responding to questions, Mr. D'Agostino responded that overtime was mandatory for correctional officers and that the Department was not able to mitigate this issue at this time due to recruitment and training limitations. Senator Sears agreed to inform the Committee of any new developments as the Joint Legislative Justice Oversight Committee continued to monitor the situation.

C. Long-Term Plan for Justice-Involved Youths

Sean Brown, Commissioner, Department for Children and Families, reviewed the [Report on Long-Term Plan for Justice-Involved Youth](#) prepared by the Department. He referred to an estimate of the [Operating Budget Comparison](#) by the contractor, Beckett.

Senator Sears reviewed the joint recommendations of the Joint Legislative Justice Oversight Committee (JLJOC) and the Joint Legislative Child Protection Oversight Committee (JLCPOC) in a [memorandum](#) submitted to the Joint Fiscal Committee.

The Committee discussed its concerns and the joint recommendation by the JLJOC and JLCPOC. Senator Kitchel moved to approve the recommendations of the Joint Committees as submitted to the Joint Fiscal Committee (the recommendation outlines the Department's plan be approved with the Joint Committees' five provisions as written in its recommendation), and Senator Ashe seconded the motion. The Committee approved the motion and the recommendations with a 10-0 roll call vote.

D. Judicial System Rollout and E-filing Fees Report Update

Senator Sears explained his concerns for the proposed [Judicial System Rollout and E-filing Fees Report](#). Representative Hooper mentioned that there were several people reviewing the court's report and actions, including the Joint Legislative Justice Oversight Committee, the Vermont Bar Association (VBA), which submitted a [response](#), and Dan Smith, contractor for JFO.

E. Fiscal Officer's Updates

Stephen Klein, Chief Fiscal Officer, Joint Fiscal Office, informed the Committee that the Office had hired a new fiscal analyst for transportation, Chris Rupe, to fill a vacant position.

Mark Perrault, Senior Fiscal Analyst, gave an update on the Commissioner of the Department of Taxes' anticipated December 1 Education Fund letter that forecasts the tax rate for FY 2022. Pressures on the Education Fund included the current shortfall of \$67 million in the Education Fund. However, \$11–12 million of CRF could be used to reduce the education payment, reducing the deficit to \$55 million. Other areas of pressure included pensions for teachers at about \$30.3 million and teacher's health insurance at a \$15–18 million increase that would translate to local district budgets. The property tax adjustments were estimated to increase to \$12 million, which was like previous years. These pressures totaled upwards of \$60 million on the Education Fund in FY 2022.

The Committee confirmed its next meeting for December 9, 2020 and adjourned the meeting at 12:54 p.m.

Respectfully Submitted,

Theresa Utton-Jerman, Senior Staff Associate
Legislative Joint Fiscal Office

Link to recording: https://www.youtube.com/watch?v=idiN2_lgRI