

H.518: FY 2018 Senate Appropriations Budget Highlights

	<u>SAC unduplicated</u>			<u>House unduplicated</u>		
	<u>FY 2017</u> <u>BAA+Chgs</u>	<u>FY 2018</u> <u>Proposed</u>	<u>1 Yr</u> <u>Growth</u>	<u>FY 2017</u> <u>BAA+Chgs</u>	<u>FY 2018</u> <u>Proposed</u>	<u>1 Yr</u> <u>Growth</u>
General Fund	\$1,538.1	\$1,563.6	1.7%	\$1,535.7	\$1,563.8	1.8%
All State Funds	\$2,459.8	\$2,482.2	0.9%	\$2,459.6	\$2,479.7	0.8%
Net Ed Fund	\$1,271.9	\$1,314.4	3.3%	\$1,271.9	\$1,306.6	2.7%
Grand Total	\$5,755.2	\$5,830.0	1.3%	\$5,755.2	\$5,815.5	1.0%

Overview of Senate Proposal: Work to address Senate priorities in the context of limited resources and potential additional federal cuts:

- Lives within existing revenues plus \$5M from added collection efforts: 1.7% General Fund spending growth is below FY 2018 3.7% forecast revenue growth and below 2% projected Gross State Product growth.
- Protects & strengthens reserves—Statutory 5% reserves full; proposes to bring Rainy Day Fund from \$6.8M to \$7.3 million with additional amounts possible at the close of FY 2017 and FY 2018. Caseload Reserve at \$18.26 and 27/53rd reserve at \$5.28M—Overall, GF-like reserves \$111M, or over 7% of prior year GF spending.

Key actions

- **Mental Health**
 - Provided \$9.8 million to increase salaries for Designated Agencies for workers as part of an multi-year stabilization funding plan
 - This includes investments for crisis beds to reduce pressure and cost in the health care system
 - Funds increased hours of operation of peer to peer “warm” phone line through Pathways for Housing
 - Keeps promise to maintain the FY 2018 rollout of 2% increases to designated agencies and other providers that began September 2016
- **Child Care**
 - Provided \$3 million in funding:
 - To bring family eligibility levels up to the current year poverty level
 - To provide additional funding for centers and home based programs for infant and toddler and with high subsidy client populations
- **Other Human Services**
 - Eliminates house passed AHS grant reductions for human service grantees
 - Puts in place a plan to close the South East correctional facility coupled with a facility repurposing initiative for coordinated reentry
 - Expands an DOC plan for gradual increased use of electronic monitoring
 - Maintains cold weather exception and adds \$600,000 to increase shelter capacity in Barre and Rutland

- **Other Government Operations**

- Provides \$1,800,000 to fund police camera equipment cost
- Increases (PILOT) funding to municipalities that host state buildings to \$7.6 million— funds 76% of estimated PILOT obligations.
- State Employees: Funds reclassifications, including retroactive pay for judiciary positions
- Funds Guardian Ad litem, Judicial masters for opiate caseload, civil rights AG, and Court security
- Increases funding for school meals farm to school, State fairs and working lands
- Requires \$5 million in Administration reductions based on legislative conditions

- **Higher Education:**

- Provided \$4,000,000 base increased to the Vermont State Colleges and \$880,000 one-time payment for campus merger.
- Provided \$200,000 of the above funds to encourage high school continuance
- Provides \$250,000 one time for new in person and online initiative at Vermont Law School

- **Education Fund:**

- Limits Education Fund use to appropriate education fund expenditures with the addition of the “normal” Teacher’s Retirement \$7.9 million contribution to come from the Education Fund
- Reinstates the Statutory Education Fund transfer and, does not remove local decision making for Education Spending
- Increase for Community High School of Vermont and Adult Education

For comparison the Growth Rates of the Governor’s Budget as proposed and as adjusted for local spending and Ebrd adopted Medicaid

	<u>Governor unduplicated</u>			<u>Gov. Adjusted*</u>	
	<u>BAA</u>	<u>FY2018</u>	<u>1 Yr</u>	<u>FY2018</u>	<u>1 Yr</u>
	<u>As Passed</u>	<u>Proposed</u>	<u>Growth</u>	<u>Gov Adj</u>	<u>Growth</u>
General Fund	\$1,533.2	\$1,542.0	0.6%	\$1,552.0	1.2%
All State Funds	\$2,459.6	\$2,479.4	0.0%	\$2,467.4	0.4%
Net Ed Fund	\$1,271.9	\$1,295.7	1.9%	\$1,356.7	6.7%
Grand Total	\$5,752.6	\$5,786.2	0.6%	\$5,857.1	1.8%

**Adjusted for \$10m for EBoard adopted Medicaid budget and EF Local Spending*