

2003
FI\$CAL FACT\$



VERMONT LEGISLATIVE
JOINT FISCAL OFFICE

Joint Fiscal Committee

2003 - 2004 Legislative Session*

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Steven Kappel, Fiscal Analyst
Mark Perrault, Fiscal Analyst
Neil Schickner, Fiscal Analyst
Sara Teachout, Fiscal Analyst
Virginia Catone, Staff Associate (session)
Sandra Noyes, Business Manager
Rebecca Buck, Staff Associate/Personnel Officer

One Baldwin Street
Montpelier, Vermont 05633-5701
Tel: 802 828-2295
Fax: 802 828-2483
<http://www.leg.state.vt.us/jfo>

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Joint Fiscal Office Web Site:
<http://www.leg.state.vt.us/jfo>

PART I – OVERVIEW OF STATE FINANCES

OVERVIEW OF STATE FINANCES

There are three major components to any government's finances. The first is **revenue** – funds coming into government coffers. The second is **debt**; most governments, local, state, and federal, borrow to finance some of their activities, such as major capital expenditures like construction projects. The third is **expenditures** – what government spends money on. States spend both the revenue they raise and money from other sources, such as the federal government. The table below shows major state funding sources and appropriations. The remainder of this section discusses revenue, debt, and expenditures in detail.

Total State Budget: Fiscal Year 2003

(includes rescissions, prior to budget adjustment)

<u>Sources of Funds</u>	<u>Amount</u>	<u>% of Total</u>
General funds	879,581,521	26.2%
Transportation funds	205,169,446	6.1%
Education	842,170,145	25.1%
Fish & Wildlife funds	14,607,472	0.4%
Special funds	325,384,943	9.7%
Federal funds	976,331,020	29.1%
Other	112,025,328	3.3%
Total	\$ 3,355,269,875	100.0%

<u>Appropriation</u>	<u>Amount</u>	<u>% of Total</u>
General Government	105,949,868	3.2%
Protection	176,841,264	5.3%
Human Services	1,184,441,876	35.3%
Employment	27,846,980	0.8%
Education	1,322,645,535	39.4%
Natural Resources	69,073,164	2.1%
Commerce/Development	60,350,977	1.8%
Transportation	325,569,294	9.7%
Debt Service	72,653,346	2.2%
Miscellaneous	9,897,571	0.3%
Total	\$ 3,355,269,875	100.0%

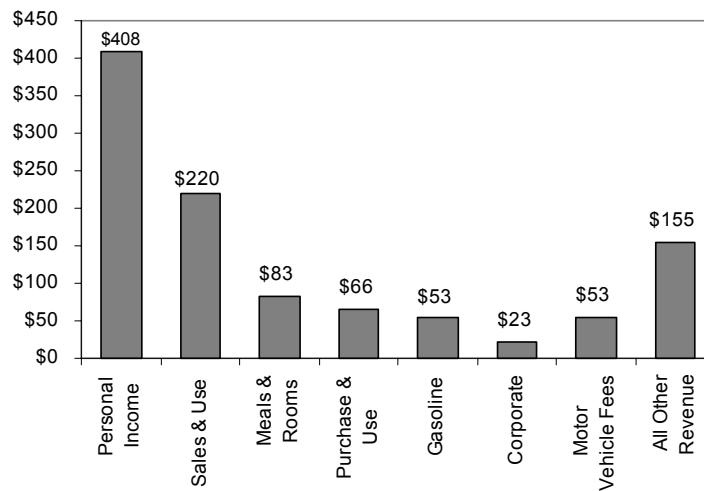
Source: Joint Fiscal Office Analysis of Act # 142 of the 2002 Session
(Fiscal Year 2003 Appropriations), December, 2002 and
Executive Rescissions 8/02.

REVENUE

Over 90% of Vermont state revenue comes from taxes. The personal income tax is the largest single source, accounting for about one-third of General and Transportation Fund revenue. The sales and use tax accounts for nearly one-fifth. Other sources of revenue include licenses, fees, interest, and lottery sales.

In addition to money it raises through taxes, fees, and other operations, the state also receives funds from other sources. The major source is the federal government. About one-third of state spending is federal funds. Another significant source is the recent tobacco settlement.

**Sources of General Fund and Transportation Fund
Revenue, FY 2003**
(Jan 2003 Forecast, \$ in millions)



The first step in the creation of the state budget each year is the development of a revenue forecast. On the next page is the forecast that will be used for development of the FY 2004 budget.

FY 2004 State Revenue Forecast by Fund Type & Source

(\$ in millions)

	Amount	% of Fund	% of Total
General Fund			
Personal Income	425.8	48.3%	36.0%
Sales and Use	227.6	25.8%	19.2%
Corporate	28.2	3.2%	2.4%
Meals and Rooms	85.9	9.7%	7.3%
Liquor	11.1	1.3%	0.9%
Insurance	38.3	4.3%	3.2%
Telephone	10.8	1.2%	0.9%
Beverage	5.1	0.6%	0.4%
Electric	2.6	0.3%	0.2%
Estate	12.1	1.4%	1.0%
Property	9.4	1.1%	0.8%
Bank	2.7	0.3%	0.2%
All Other Taxes	2.3	0.3%	0.2%
Other Revenues	19.8	2.2%	1.7%
Fund Total	\$881.5	100.0%	74.5%
Transportation Fund			
Gasoline	54.4	25.6%	4.6%
Diesel	16.8	7.9%	1.4%
Purchase and Use	67.6	31.8%	5.7%
Other Taxes	2.5	1.2%	0.2%
Motor Vehicle Fees	55.7	26.2%	4.7%
Other Revenue	15.8	7.4%	1.3%
Fund Total	\$212.8	100.0%	18.0%
Education Fund (non-property tax revenues)			
Meals and Rooms	19.5	22.1%	1.6%
Telecommunications	15.6	17.6%	1.3%
Bank	3.7	4.2%	0.3%
Corporate	6.6	7.5%	0.6%
Security Registration Fees	2.7	3.1%	0.2%
Interest	0.2	0.2%	0.0%
Lottery	15.7	17.8%	1.3%
Gasoline	10.9	12.3%	0.9%
Purchase and Use	13.5	15.3%	1.1%
Fund Total	\$88.4	100.0%	7.5%
Total Revenue	\$1,182.7		100.0%

Source: Emergency Board Official Forecast, January 2003

General Fund Forecast

(\$ in millions)

<i>REVENUE SOURCE</i>	FY 2002	FY 2003	FY 2004	FY 2005
	<i>(Actual)</i>	<i>(Forecast)</i>	<i>(Forecast)</i>	<i>(Forecast)</i>
Personal Income*	\$403.8	\$407.8	\$425.8	\$446.7
Sales and Use	\$214.8	\$219.7	\$227.6	\$235.0
Corporate	\$25.9	\$22.7	\$28.2	\$32.8
Meals and Rooms	\$81.1	\$83.3	\$85.9	\$88.4
Liquor	\$10.6	\$10.9	\$11.1	\$11.4
Insurance	\$34.9	\$36.7	\$38.3	\$39.8
Telephone	\$10.4	\$10.6	\$10.8	\$11.0
Beverage	\$5.0	\$5.0	\$5.1	\$5.2
Electric	\$2.8	\$2.6	\$2.6	\$2.5
Estate	\$13.3	\$16.9	\$12.1	\$11.6
Property	\$9.9	\$9.7	\$9.4	\$9.8
Bank	\$2.2	\$2.3	\$2.7	\$2.9
Other Tax	\$2.0	\$2.2	\$2.3	\$2.3
Total Tax Revenue	\$816.7	\$830.4	\$861.8	\$899.4
Business Licenses	\$2.6	\$2.4	\$2.5	\$2.6
Fees	\$8.6	\$8.8	\$9.1	\$9.4
Services	\$1.2	\$1.5	\$1.4	\$1.5
Fines	\$2.5	\$7.2	\$2.8	\$2.9
Interest	\$3.1	\$2.7	\$3.2	\$4.0
Special Assessments	\$0.0	\$0.1	\$0.1	\$0.1
All Other	\$0.7	\$1.4	\$0.7	\$0.7
Total Other Revenue	\$18.7	\$24.0	\$19.8	\$21.1
TOTAL GF	\$835.4	\$854.4	\$881.5	\$920.5

Source: January 2003 Forecast

Transportation Fund Forecast

(\$ in millions)

<i>REVENUE SOURCE</i>	FY 2002 <i>(Actual)</i>	FY 2003 <i>(Forecast)</i>	FY 2004 <i>(Forecast)</i>	FY 2005 <i>(Forecast)</i>
Gasoline	\$52.6	\$53.4	\$54.4	\$55.5
Diesel	\$16.6	\$16.4	\$16.8	\$17.3
Purchase and Use	\$66.1	\$66.0	\$67.6	\$70.3
Other Taxes	\$1.8	\$2.4	\$2.5	\$2.6
Motor Vehicle Fees	\$47.6	\$53.3	\$55.7	\$55.3
Other Revenue	\$14.1	\$15.5	\$15.8	\$16.2
TOTAL TF	\$198.8	\$207.0	\$212.8	\$217.2

Education Fund Forecast

(non-property tax sources, \$ in millions)

<i>REVENUE SOURCE</i>	FY 2002 <i>(Actual)</i>	FY 2003 <i>(Forecast)</i>	FY 2004 <i>(Forecast)</i>	FY 2005 <i>(Forecast)</i>
Meals and Rooms	\$18.3	\$18.9	\$19.5	\$20.1
Telecommunications	\$14.9	\$15.2	\$15.6	\$16.1
Bank	\$3.1	\$3.3	\$3.7	\$4.1
Corporate Security Registration Fees	\$6.1	\$5.3	\$6.6	\$7.7
Interest	\$2.5	\$2.6	\$2.7	\$2.8
Lottery	\$0.2	\$.2	\$0.2	\$0.2
Gasoline	\$16.9	\$16.3	\$15.7	\$15.1
Purchase and Use	\$10.5	\$10.7	\$10.9	\$11.1
Ed Fund	\$13.2	\$13.2	\$13.5	\$14.1
	\$85.8	\$85.6	\$88.4	\$91.3

Source: January 2003 Forecast

Estimated Revenue Per Unit of Tax

(Selected Taxes; Dollars in Millions)

REVENUE SOURCE	FY 2004	Tax Rate	Unit of Tax	Yield/Unit of Tax
Sales and Use	\$227.6	5%	@ 1%	\$45.52
Telecommunications	\$15.6	4.36%	@ 1%	\$3.58
Meals and Rooms	\$105.4	9%	@ 1%	\$11.71
Bank Franchise	\$6.4	0.0096%	@ .0001%	\$0.07
Gasoline	\$65.3	0.19	@ penny	\$3.44
Diesel	\$16.8	0.25	@ penny	\$0.67
Purchase and Use	\$81.1	6%	@ 1%	\$13.52

For corporate tax rates, see page 31; for personal income tax rates, see page 25. These simple yield rates assume no decline in demand in response to the price increase that would accompany a given tax increase, and no increase in demand that may be experienced with a price reduction due to a tax cut. This phenomenon, which is referred to by economists as the "price elasticity of demand," will slightly reduce the effective yield for most tax increases and similarly reduce the effective cost of most tax decreases. Although the price elasticity to demand will depend upon many conditions specific to a given tax, such as tax rates in competitive adjoining tax jurisdictions, the size of the tax change, the prior tax level, and the nature of the economic good being taxed, most effective tax yields fall between about 90% to 100% of an estimated simple yield.

Source: Joint Fiscal Estimates based on January 2003 Official E-Board Forecast for Fiscal Year 2004.

Estimated Revenue from 5% Sales Tax on Services

Service	FY 04 Amount
All Services Provided by Non-Tax Exempt Organizations	<u>\$97,015,000</u>
<u>Professional, scientific, & technical services</u>	<u>\$42,000,000</u>
Legal services	10,000,000
Accounting, tax return prep, bookkeeping, & payroll	4,000,000
Architectural, engineering, & related services	8,000,000
Specialized design services	1,000,000
Computer systems design & related services	11,000,000
Management, scientific, & technical consulting services	4,000,000
Scientific research & development services	1,000,000
Advertising & related services	2,000,000
Other professional, scientific, & technical services	1,000,000
<u>Health care & social assistance</u>	<u>\$37,015,000</u>
Offices of physicians	17,000,000
Offices of dentists	6,000,000
Offices of other health practitioners	3,000,000
Outpatient care centers	190,000
Medical & diagnostic laboratories	390,000
Home health care services	440,000
Other ambulatory health care services	290,000
Nursing care facilities	6,000,000
Residential mental retardation/health & substance abuse facilities	490,000
Community care facilities for the elderly	1,530,000
Other residential care facilities	40,000
Community food & housing services	5,000
Individual & family services	170,000
Vocational rehabilitation services	620,000
Child day care services	850,000
<u>Other services (except public administration)</u>	<u>\$18,000,000</u>
Automotive repair & maintenance	9,000,000
Electronic & precision equipment repair & maintenance	1,000,000
Personal & household goods repair & maintenance	2,000,000
Personal care services	2,000,000
Death care services	1,000,000
Dry cleaning & laundry services	2,000,000
Other personal services	1,000,000

Sources: US Census Bureau; 1997 Vermont Economic Census 'Consumer Price Index; New England Economic Project, May 2002, Estimates of current law taxable base made in cooperation with the Vt. Tax Dept.

EDUCATION FINANCE FACTS

Fiscal Year	2000	2001	2002	2003	2004*
Predictable Yield	\$42.09	\$40.00	\$41.00	\$42.00	\$45.20
Block Grant	\$5,100	\$5,194	\$5,448	\$5,566	\$5,651
Grand list growth	1.9%	3.1%	4.2%	6.6%	7.0%
Equalized pupils	105,071	104,151	103,347	102,275	101,508
Spending growth (LES)	3.5%	5.7%	6.2%	4.6%	5.1%

*Estimated

Predictable Yield: The rate at which a town district raises its above block spending. In FY2003 a town district must raise an additional one percent of its state education property tax for each \$42 of above block spending (ABS) per equalized pupil. That is the local share tax rate will be 1.1 cents (one percent of the 1.10 state education tax rate) for each \$42 of ABS per pupil. The tax limit for taxpayers in the homestead class is 0.02% of household income (one percent of the 2% of household income state education property tax limit) for each \$42 of ABS per pupil. The yield is determined each year depending on changes in the equalized pupil count, the equalized education grand list, and above block spending. Also known as the equalized yield, guaranteed yield, and predictable yield.

Block Grant: The majority of state aid is distributed on a per pupil basis through the general state support grant, commonly known as the block grant. The pupil count method used for the block grant is equalized pupils.

Equalized Pupils: A two year average count of pupils who are the responsibility of a town school district to educate, either by providing a school, participating in a union school district, or by paying tuition to an approved or recognized independent school. The count is adjusted for secondary students, students in poverty, and students with limited English proficiency. Districts with a proportion of these types of students greater than the state average have more equalized pupils than their actual count and vice versa.

Equalized Education Grand List: The education grand list for a town adjusted by the tax department to make up for the variance between the total of the actual listed property values and what those values would total if all were listed at fair market value.

Local Education Spending (LES): that portion of preK-12 spending paid for with the block grant and local share taxes. Expenses for items paid for with other revenue, such as state categorical grants, tuition revenue, donations, grants, federal funds, and interest income are not part of local education spending.

STATE INDEBTEDNESS

Capital Debt Affordability Advisory Committee

The Capital Debt Affordability Advisory Committee was created by the 1990 Vermont Legislature to estimate annually the maximum amount of new long-term general obligation debt that prudently may be authorized by the state for the next fiscal year. The Committee's estimate is required by law to be based on a number of considerations, historic and projected, including debt service requirements, debt service as a percent of General and Transportation Fund revenues, outstanding debt as a percent of personal income, and per capita debt ratios. The Committee is comprised of five members, four of whom are ex-officio state officials and one of whom is appointed by the Governor from the private sector for a two-year term. The Committee is directed by law to issue a report by September 30 of each calendar year.

The Committee recommended, and the Legislature authorized, a maximum of \$39 million in new debt for 2002.

In September 2002 the Committee recommended a total of \$39 million in new debt issuance for 2003.

Summary of Outstanding Debt

(as of 6/30/2002)

<u>Type of Debt</u>	<u>Total Outstanding Debt</u>	<u>Debt Service FY 04</u>
General Fund	\$426,896,000	\$61,953,190
Transportation Fund	15,214,000	2,379,496
General Fund Supported	<u>18,385,000</u>	<u>2,382,985</u>
Total	\$460,495,000	\$66,715,671

Source: Government Finance Associates, Inc., September, 2002 Report

State Indebtedness

(continued)

Vermont Debt Burden Comparison

(Moody's Investor Service)

Debt as a percent of total state personal income

	1999	2000	2001	2002
Moody's VT Ratio	4.2%	3.8%	3.3%	3.0%
Moody's Median	2.0%	2.2%	2.1%	2.3%
Vermont Rank	10	10	14	14

Debt per capita

	1999	2000	2001	2002
Moody's VT per capita	\$953	\$925	\$828	\$813
Moody's median	\$505	\$540	\$541	\$573
Vermont Rank	10	9	15	18

State Bond Rating

Fitch Investors Service, Inc.	AA+	(upgraded in 1999 from AA)
Moody's Investors Service	Aa1	(upgraded in 1999 from Aa2)
Standard and Poor's	AA+	(upgraded in 2000 from AA)

Source: Government Finance Associates report of September 2002

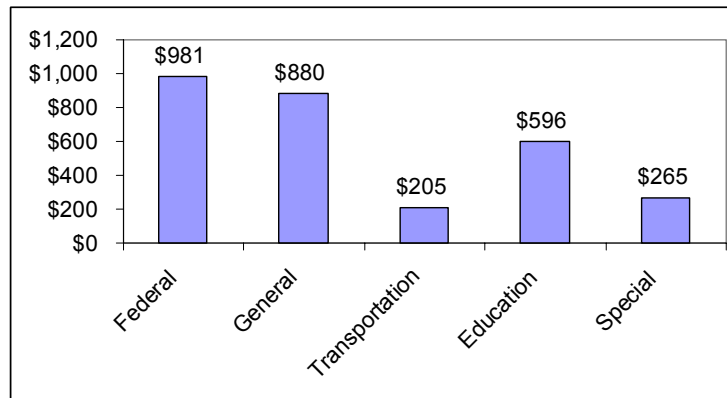
EXPENDITURES

It is important to understand that the legislature only has the power to “appropriate” money that the state raises. However, in addition to appropriations, the legislature asserts control over all other funding sources by giving departments and agencies the authority to spend money from other sources, such as grants or federal funds. Without this authority, money cannot be spent.

The state’s expenditures are primarily governed by the annual appropriations act. This act includes both appropriations and spending authority, and allocates funds from 12 different sources to 11 major categories of expense. The major sources include the state’s general fund (30%), federal funds (34%), the education fund (20%) and the transportation fund (7%).

Vermont Appropriations by Source, FY 2003

(\$ in millions)



The three largest expense categories are education, including property tax support (37%), human services (37%), and transportation (11%). Looking at spending a different way, about 17% of state spending is for personal services, 9% is other operating expenses (supplies, utilities, etc). The remaining 73% primarily pays for direct services provided by the state through grants to organizations, from road construction to education to medical care.

FY 2003 Appropriations by Category and Source

(includes rescissions, prior to budget adjustment - \$ millions)

Category	Federal	General Fund	Transportation Fund	Education Fund	Special Funds	Tobacco Funds	TOTAL
General Education	\$100	\$362	\$4	*\$596	\$12	\$1	\$1,075
Human Services	619	320	2	0	*129	24	1,094
Transportation	156	0	154	0	0	0	311
Protection	38	61	28	0	38	1	165
General Government	3	34	9	0	19	0	65
Debt Service	0	67	3	0	3	0	73
Natural Resources	12	16	1	0	22	0	51
Commerce & Community Dev.	29	13	0	0	17	0	59
Employment and Training	24	1	0	0	0	0	25
Miscellaneous	0	6	4	0	0	0	10
TOTAL – FY 2003	981	880	205	596	239	26	2,927

This table reflects sources and allocations in the FY 2003 Appropriations bill excluding "Other" funds which are primarily internal service funds. While this bill establishes nearly all of the state's spending, there are two other types of legislative action that influence spending. The first is appropriation language in other acts. This mechanism is typically used in the first year of a new program, for pay increases to state employees, and for some capital expenditures. The second mechanism is the budget adjustment act. Each year, as one of its first actions, the legislature passes an act that makes adjustments to the budget based on the first six months of actual expenditures.

*Excluding inter-fund appropriations.

Summary of Revenue, Expenditures, and Operating Results

General Fund Revenues and Appropriations Summary Fiscal Year 1992 –2003 est, \$ millions

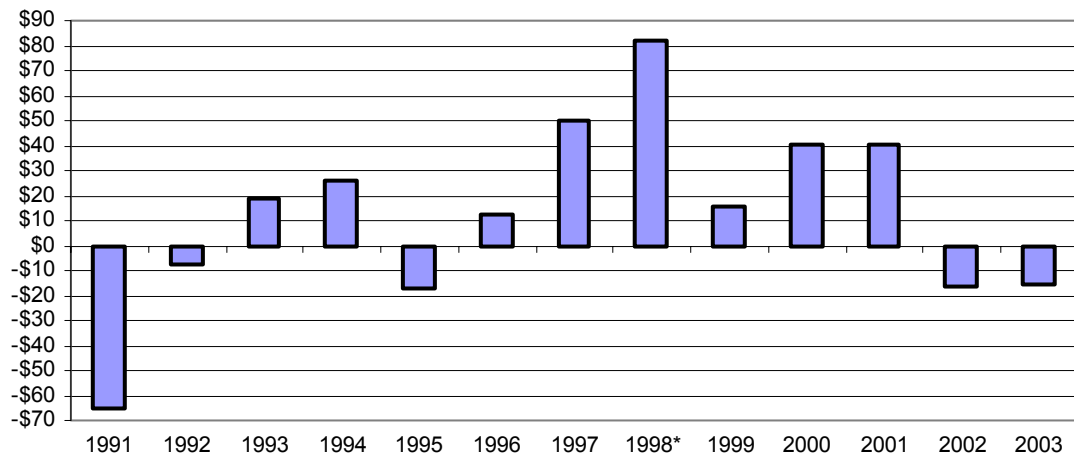
	1992	1993	1994	1995	1996	1997	1998 ₁	1999*	2000*	2001*	2002 ₂	2003 ₃
Total Revenue	648.82	661.61	681.73	672.57	715.12	770.81	875.66	840.48	894.17	909.80	855.67	869.35
Total Appropriations	656.78	642.66	655.96	689.60	702.42	720.91	793.28	824.82	853.95	869.09	872.14	884.99
Operating Surplus/Deficit	(7.96)	18.95	25.77	(17.03)	12.70	49.91	82.37	15.66	40.23	40.71	(16.47)	(15.64)
Net Transfers	-	-	20.41	2.50	1.82	(49.91)	(82.37)	(15.66)	(40.23)	(32.31)	16.47	15.64
Carryforward Balance	(57.17)	(65.13)	(46.18)	(0.00)	(14.53)	14.52	0.00	0.00	0.00	(0.00)	0.00	0.00
Ending Balance	(65.13)	(46.18)	(0.00)	(14.53)	14.52	0.00	0.00	0.00	0.00	8.40	0.00	0.00

Notes: 1: Act 60 transition year, *1999, 2000 & 2001 include one-time spending; Note 2: 2002 utilized \$27 million from stabilization reserve; Note 3: Proposed.

Source: JFO

General Fund Operating Surplus and Deficit, 1991 – 2003

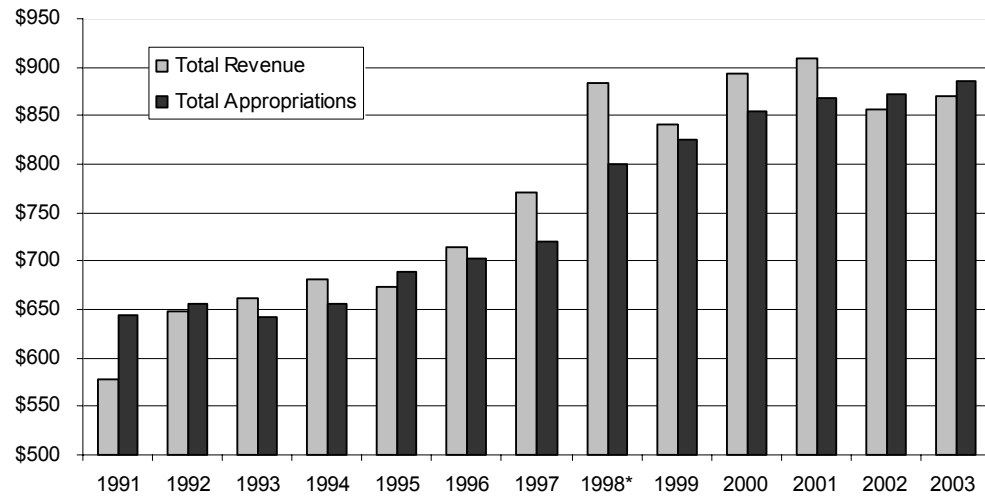
\$ millions, fiscal years



*FY 98 data normalized for Education Fund expenditures. Source: JFO

General Fund Revenue and Appropriations, 1991 – 2003

\$ millions, fiscal years



*FY98 data normalized for Education Fund expenditures. Source: JFO

Comparisons

How Does Vermont Compare?

Based on population, Vermont is the second smallest state in the union, so comparisons like total income tax collected or size of General Fund are meaningless. In order to be able to compare Vermont to other states, statistics are calculated on a per capita (per person) basis. For example, we can't compare total income taxes collected in California (about \$39.5 billion in 2000) to total income taxes in Vermont (about \$432 million in 2000). However, we can directly compare income taxes collected on a per-person basis (In 2000, California: \$1,168, Vermont: \$710).

The table below shows Vermont's per capita value and rank among the 50 states for several revenue and expenditure statistics. Expenditure data are from the 1999 Census of Government, and 2001 tax data are from the Bureau of the Census.

Statistic	Per Capita Value	VT rank (1 is highest)
Total State Taxes, 2001 [^]	\$1,886	20
Sales and Gross Receipts Tax, 2001	\$864	28
Individual Income Tax, 2001	\$741	20
Corporate Income Tax, 2001	\$73	31
Total State Government Expenditures, 2000 ^{^**}	\$3,096	12
Education Expenditures, 2000 ^{**}	\$2,190	1
Public Welfare Expenditures, 2000 ^{**}	\$1,165	4
Highway Expenditures, 2000 ^{**}	\$388	13

[^]Excluding statewide property taxes

^{**}Includes federal funds

2001 State Revenue Per Capita

<u>State</u>	<u>Rank</u>	<u>Revenue</u>	<u>State</u>	<u>Rank</u>	<u>Revenue</u>
Alabama	46	1,385	Montana	45	1,428
Alaska	9	2,179	Nebraska	32	1,764
Arizona	42	1,535	Nevada	30	1,773
Arkansas	38	1,663	New Hampshire	50	1,046
California	6	2,526	New Jersey	8	2,269
Colorado	34	1,713	New Mexico	10	2,166
Connecticut	1	3,092	New York	7	2,359
Delaware	3	2,731	North Carolina	19	1,909
Florida	44	1,491	North Dakota	18	1,936
Georgia	35	1,708	Ohio	33	1,723
Hawaii	2	2,865	Oklahoma	25	1,833
Idaho	17	1,936	Oregon	36	1,697
Illinois	23	1,850	Pennsylvania	26	1,832
Indiana	37	1,668	Rhode Island	12	2,118
Iowa	31	1,765	South Carolina	43	1,510
Kansas	24	1,834	South Dakota	49	1,292
Kentucky	27	1,830	Tennessee	48	1,363
Louisiana	40	1,606	Texas	47	1,380
Maine	15	2,037	Utah	29	1,791
Maryland	16	1,958	Vermont	21	1,886
Massachusetts	5	2,700	Virginia	28	1,816
Michigan	14	2,049	Washington	22	1,884
Minnesota	4	2,720	West Virginia	20	1,898
Mississippi	39	1,661	Wisconsin	11	2,164
Missouri	41	1,566	Wyoming	13	2,051

US Average = \$1,933 Per Capita

2000 Vermont Rank = 27th

1999 Vermont Rank = 27th

1998 Vermont Rank = 30th

1997 Vermont Rank = 29th

1996 Vermont Rank = 33rd

Source: U.S. Census Bureau

<http://www.census.gov/govs/www/statetax.html>

Note: Excludes statewide property tax.

2001 State Sales & Gross Receipts Tax Revenue Per Capita

<u>State</u>	<u>Rank</u>	<u>Revenue</u>	<u>State</u>	<u>Rank</u>	<u>Revenue</u>
Alabama	38	735	Montana	46	390
Alaska	48	212	Nebraska	31	839
Arizona	18	935	Nevada	3	1,561
Arkansas	21	906	New Hampshire	45	472
California	22	891	New Jersey	14	1,003
Colorado	43	654	New Mexico	7	1,139
Connecticut	4	1,457	New York	41	689
Delaware	47	370	North Carolina	37	762
Florida	6	1,159	North Dakota	10	1,084
Georgia	39	720	Ohio	36	788
Hawaii	1	1,795	Oklahoma	42	657
Idaho	33	827	Oregon	49	192
Illinois	24	878	Pennsylvania	26	867
Indiana	32	837	Rhode Island	11	1,057
Iowa	29	859	South Carolina	35	821
Kansas	27	866	South Dakota	15	1,000
Kentucky	23	888	Tennessee	13	1,017
Louisiana	19	919	Texas	9	1,093
Maine	20	915	Utah	25	869
Maryland	30	854	Vermont	28	864
Massachusetts	34	825	Virginia	44	637
Michigan	16	989	Washington	2	1,679
Minnesota	5	1,179	West Virginia	12	1,021
Mississippi	8	1,098	Wisconsin	17	964
Missouri	40	715	Wyoming	15	1,000

US Average = \$910 Per Capita

2000 Vermont Rank = 28th

1999 Vermont Rank = 36th

1998 Vermont Rank = 37th

1997 Vermont Rank = 32nd

Source: U.S. Census Bureau

Note: Data includes selective sales taxes if applicable;
Vermont includes Rooms & Meals and Purchase & Use taxes.

2001 Personal Income Tax Revenue Per Capita

<u>State</u>	<u>Rank</u>	<u>Revenue</u>	<u>State</u>	<u>Rank</u>	<u>Revenue</u>
Alabama	36	471	Montana	30	615
Alaska	44	NA	Nebraska	23	716
Arizona	38	434	Nevada	44	NA
Arkansas	33	581	New Hampshire	42	61
California	4	1,293	New Jersey	9	942
Colorado	14	881	New Mexico	37	454
Connecticut	3	1,303	New York	2	1,391
Delaware	11	904	North Carolina	10	919
Florida	44	NA	North Dakota	41	336
Georgia	17	826	Ohio	22	730
Hawaii	13	903	Oklahoma	26	659
Idaho	18	780	Oregon	5	1,262
Illinois	31	614	Pennsylvania	32	582
Indiana	29	618	Rhode Island	16	877
Iowa	28	646	South Carolina	35	524
Kansas	21	738	South Dakota	44	NA
Kentucky	27	652	Tennessee	43	35
Louisiana	39	392	Texas	44	NA
Maine	12	903	Utah	19	751
Maryland	15	879	Vermont	20	741
Massachusetts	1	1,552	Virginia	7	1,005
Michigan	24	680	Washington	44	NA
Minnesota	6	1,188	West Virginia	34	566
Mississippi	40	362	Wisconsin	8	953
Missouri	25	678	Wyoming	44	NA

US Average = \$730 Per Capita

2000 Vermont Rank = 22nd

1999 Vermont Rank = 22nd

1998 Vermont Rank = 26th

1997 Vermont Rank = 26th

1996 Vermont Rank = 30th

Source: U.S. Census Bureau

<http://www.census.gov/govs/www/statetax.html>

Note: Vermont lowered its income tax rate in 2000.

2001 Corporate Income Tax Revenue Per Capita

<u>State</u>	<u>Rank</u>	<u>Revenue</u>	<u>State</u>	<u>Rank</u>	<u>Revenue</u>
Alabama	42	39	Montana	15	115
Alaska	1	631	Nebraska	27	81
Arizona	19	102	Nevada	43	NA
Arkansas	33	69	New Hampshire	2	278
California	5	200	New Jersey	9	153
Colorado	28	77	New Mexico	18	104
Connecticut	12	121	New York	8	168
Delaware	3	260	North Carolina	25	88
Florida	21	97	North Dakota	20	100
Georgia	26	82	Ohio	35	58
Hawaii	38	49	Oklahoma	39	48
Idaho	17	107	Oregon	22	93
Illinois	7	178	Pennsylvania	16	114
Indiana	11	135	Rhode Island	30	74
Iowa	36	57	South Carolina	40	47
Kansas	25	88	South Dakota	36	57
Kentucky	24	89	Tennessee	14	117
Louisiana	34	66	Texas	43	NA
Maine	29	75	Utah	32	72
Maryland	22	93	Vermont	31	73
Massachusetts	6	190	Virginia	37	51
Michigan	4	210	Washington	43	NA
Minnesota	10	147	West Virginia	13	119
Mississippi	30	74	Wisconsin	23	92
Missouri	41	42	Wyoming	43	NA

US Average = \$112 Per Capita

2000 Vermont Rank = 34th

1999 Vermont Rank = 28th

1998 Vermont Rank = 34th

1997 Vermont Rank = 32nd

1996 Vermont Rank = 30th

Source: U.S. Census Bureau

<http://www.census.gov/govs/www/statetax.html>

PART II - GENERAL REFERENCE

Personal Income Tax Statistics – 2001

AGI Income Class	Returns	Adjusted Gross Income	Vermont Tax	Other State Credits	Vermont Credits	Net Vermont Tax	Earned Income Credit
Negative	3,011	-99,337,755	28,715			28,715	55,398
None/Missing	755		1,490			1,490	8,002
0 - 4999	28,204	74,159,325	187,263	958	23	186,285	783,757
5000 - 9999	27,048	200,814,622	1,025,921	18,829		1,007,099	2,775,638
10000 - 14999	24,806	309,855,630	3,002,704	49,767	88	2,952,853	4,077,298
15000 - 19999	25,321	443,342,546	6,209,142	76,365	697	6,132,083	3,614,640
20000 - 24999	23,923	537,122,537	9,497,413	113,390	713	9,382,960	2,141,033
25000 - 29999	20,620	565,769,312	11,369,116	143,635	2,514	11,222,968	697,684
30000 - 34999	16,831	545,681,100	11,618,694	166,857	441	11,451,347	41,316
35000 - 39999	14,685	550,082,683	12,501,221	193,075	688	12,307,457	
40000 - 44999	13,082	555,127,556	13,330,521	238,184	2,582	13,089,763	
45000 - 49999	11,410	541,513,462	13,451,143	271,223	3,161	13,176,129	
50000 - 59999	20,105	1,102,768,061	28,125,410	549,609	3,496	27,572,309	

Personal Income Tax Statistics – 2001 (continued)

AGI Income Class	Returns	Adjusted Gross Income	Vermont Tax	Other State Credits	Vermont Credits	Net Vermont Tax	Earned Income Credit
60000 - 74999	21,876	1,464,168,162	40,533,594	985,521	2,441	39,545,635	
75000 - 99999	18,531	1,585,902,454	51,470,052	1,370,994	25,120	50,073,862	
100000 - 124999	7,627	845,969,168	31,147,863	990,982	12,252	30,144,632	
125000 - 149999	3,707	505,366,369	20,259,013	811,371	36,618	19,411,025	
150000 - 199999	3,440	588,917,743	25,764,280	1,154,689	8,707	24,600,884	
200000 - 299999	2,295	551,614,897	27,849,008	1,310,969	92,653	26,445,923	
300000 - 499999	1,127	422,789,140	24,471,113	1,414,589	133,461	22,923,400	
500000 - 999999	465	311,846,623	19,286,368	1,763,531	303,848	17,219,335	
1,000,000 +	226	507,146,047	30,596,265	3,869,922	511,591	26,214,752	
State Total	289,095	12,110,619,680	381,726,306	15,494,460	1,141,094	365,090,908	14,194,766
Out of State	42,688	9,285,584,655	37,414,605	884,990	1,098,595	35,431,030	129,546
All Returns	331,783	21,396,204,336	419,140,911	16,379,451	2,239,689	400,521,938	14,324,312

Vermont Personal Income Tax Rates

Effective Tax Year 2002

Married Filing Jointly				
Taxable Income Over	But not over	Pay	+ % on Excess	of amt over
0	46,700	0	3.6%	0
46,700	112,850	1,681	7.2%	46,700
112,850	171,950	6,444	8.5%	112,850
171,950	307,050	11,468	9.0%	171,950
307,050	--	23,627	9.5%	307,050
Married Filing Separately				
Taxable Income Over	But not over	Pay	+ % on Excess	of amt over
0	23,350	0	3.6%	0
23,350	56,425	841	7.2%	23,350
56,425	85,975	3,222	8.5%	56,425
85,975	153,525	5,734	9.0%	85,975
153,525	--	11,814	9.5%	153,525
Single Individuals				
Taxable Income over	But not over	Pay	+ % on Excess	of amt over
0	27,950	0	3.6%	0
27,950	67,700	1,006	7.2%	27,950
67,700	141,250	3,868	8.5%	67,700
141,250	307,050	10,120	9.0%	141,250
307,050	--	25,042	9.5%	307,050
Head of Household				
Taxable Income over	But not over	Pay	+ % on Excess	of amt over
0	37,450	0	3.6%	0
37,450	96,700	1,348	7.2%	37,450
96,700	156,600	5,614	8.5%	96,700
156,600	307,050	10,706	9.0%	156,600
307,050	--	24,247	9.5%	307,050

Transportation Fund Facts

History of Transfers Between the General and Transportation Funds:1982-2002

Fiscal Year	Opening Balance July 1	+ Revenue	+ Misc. Adjustments	+ Transfer from the GF	- Transfer to the GF	- Approps.	+ Reversions	+ Transfer (to)/from TF Reserve	= Fund Balance June 30	Reserve Balance June 30
1982	955,698	69,903,828	210,336	0	0	69,234,162	1,316,607	0	3,152,307	0
1983	3,152,307	72,189,848	57,083	0	0	74,270,668	793,547	0	1,922,117	0
1984	1,922,117	87,190,356	78,258	869,000	0	85,304,397	1,125,986	0	5,881,320	0
1985	5,881,320	92,411,756	39,216	0	869,000	89,213,396	1,217,063	0	9,466,959	0
1986	9,466,959	98,062,408	(555,989)	2,000,000	2,000,000	94,184,846	845,148	0	13,633,680	0
1987	13,633,680	100,704,523	(482,961)	1,307,324	0	111,675,001	1,092,944	0	4,580,509	0
1988	4,580,509	106,218,300	(108,198)	0	0	112,519,440	152,599	0	(1,676,230)	0
1989	(1,676,230)	109,108,800	(121,996)	0	0	113,272,082	118,216	0	(5,843,292)	0
1990	(5,843,292)	126,359,400	127,031	1,650,000	0	126,757,253	420,867	0	(4,043,247)	0
1991	(4,043,247)	121,742,045	83,520	1,350,000	0	123,987,766	763,418	0	(4,092,029)	0
1992	(4,092,029)	133,446,574	364,837	0	0	124,719,685	63,177	0	5,062,874	0
1993	5,062,874	138,462,397	1,166,189	0	0	121,862,851	0	(21,635,984)	1,192,625	21,635,984

Transportation Fund Facts (continued)

History of Transfers Between the General and Transportation Funds: 1982-2002

Fiscal Year	Opening Balance July 1	+ Revenue	+ Misc. Adjustments	+ Transfer from the GF	- Transfer to the GF	- Approps.	+ Reversions	+ Transfer (to)/from TF Reserve	= Fund Balance June 30	Reserve Balance June 30
1994	1,192,625	144,664,007	24,010	0	21,409,195	130,590,891	1,100,000	5,019,444	0	16,616,540
1995	0	149,853,902	(241,890)	0	1,500,000	148,848,924	288,586	448,326	0	15,825,962
1996	0	155,568,442	(207,688)	0	6,650,000	157,417,030	590,980	8,115,296	0	7,710,667
1997	0	152,626,563	209,425	4,900,000	0	158,672,224	233,312	5,602,924	0	7,007,743
1998	0	160,780,230	(141,762)	1,939,836	0	161,313,539	36,656	638,415	0	8,309,164
1999	0	181,356,945	(742,678)	0	143,000	176,058,274	0	0	4,412,993	8,309,164
2000	4,412,993	193,794,708	(445,321)	0	0	187,517,434	0	(493,750)	9,751,196	8,802,914
2001	9,751,197	194,169,325	(6,773,052)	6,150,000	0	203,317,934	115,689	79,536	0	8,882,450
2002	0	206,353,600	(1,879,422)	13,850,000	0	212,914,930	1,253,395	1,007,947	5,654,696	9,890,397
Total				40,797,801	32,571,195					

Source: State of Vermont Comprehensive Annual Financial Reports

Teachers' Retirement System
(dollars in thousands)

Fiscal Year	Actuarial Request	Actual Funding	Percent of Request	Market Value of Assets	Actuarial Value of Assets	% Funded based on Market Value (GASB 5)	% Funded based on Actuarial Value (GASB 25)
2004	\$29,609						
2003	\$28,280	\$20,446	72.3%				
2002	\$22,147	\$20,446	92.3%	\$1,065,979	\$1,169,294	90.5%	89.5%
2001	\$20,970	\$19,144	91.3%	\$1,138,548	\$1,116,846	104.7%	89.0%
2000	\$19,936	\$18,586	93.2%	\$1,190,498	\$1,037,466	117.3%	88.4%
1999	\$20,724	\$18,080	87.2%	\$1,110,214	\$931,056	118.7%	87.3%
1998	\$26,927	\$18,106	67.2%	\$1,006,493	\$821,977	119.5%	86.0%
1997	\$30,722	\$18,080	58.9%	\$865,856	\$717,396	107.9%	84.5%
1996	\$28,712	\$11,480	40.0%	\$703,392	\$570,776	99.1%	81.5%

Source: Joint Fiscal Office Analysis

State Employees' Retirement System
(dollars in thousands)

Fiscal Year	Actuarial Request	Actual Funding	Percent of Request	Market Value of Assets	Actuarial Value of Assets	% Funded based on Market Value (GASB 5)	% Funded based on Actuarial Value (GASB 25)
2002	\$24,189	\$23,788	98.3%	\$892,222	\$990,450	99.8%	97.4%
2001	\$19,679	\$19,549	99.3%	\$962,944	\$954,821	109.1%	93.0%
2000	\$19,549	\$19,013	97.3%	\$1,058,890	\$895,151	126.7%	92.6%
1999	\$23,268	\$22,956	98.7%	\$963,971	\$804,970	129.3%	91.8%
1998	\$22,598	\$23,426	103.7%	\$914,960	\$733,716	134.6%	91.2%
1997	\$24,098	\$23,973	99.5%	\$779,308	\$639,128	122.8%	84.8%
1996	\$24,222	\$21,442	88.5%	\$638,674	\$560,659	110.5%	84.4%

Source: Joint Fiscal Office Analysis

Description of Principal General Fund Revenue Sources

Personal Income Tax

Recent History: Between 1968 and 2000 the state income tax was based on a percentage of federal tax liability. Between 1968 and 1988 the percentage rate was periodically changed in a range from 23.0% to 28.75%. For tax year 1989 the rate was set at 25% of federal tax liability. The rate was temporarily increased to 28% for tax year 1990. For tax year 1991, two temporary surcharges were added to the 28% base rate. The tax rate was 31% on federal tax liability between \$3,400 and \$13,100 and 34% on federal tax liability greater than \$13,100. The surcharges were eliminated beginning with tax year 1994 and the rate of tax was lowered to 25%. The rate was lowered to 24% of federal tax liability for tax year 2000.

Starting with tax year 2001 the state income tax was restructured with tax liability linked to federal taxable income as opposed to federal tax liability. Vermont established state specific tax tables with five brackets. Enacted as a one year measure for 2001, permanent tax rates were adopted in 2002. (See page 25 for rates).

Sales and Use Tax

Vermont has a general tax on retail sales which is primarily directed at commodity transactions. The rate of taxation is 5%.

Among the commodities exempt from the sales tax are food, medical equipment, prescriptions, manufacturing equipment, fuel used in manufacturing and residential fuel. Effective December 1, 1999 articles of clothing valued at less than \$110.00 each became exempt from the sales and use tax. Effective July 1, 2001 footwear valued at less than \$100.00 each became exempt.

Meals and Rooms Tax

Effective October 1, 1997 a tax of 9% is imposed on taxable meals and the rent of each occupancy less than thirty days in length. The liquor portion of the meals tax is 10%. The general fund receives 80% of the revenue from this source; the remaining 20% is dedicated to the education fund.

Description of Principal General Fund Revenue Sources (continued)

Corporate Income Tax

The net income of corporations is taxed at the greater of \$250.00 or the following rate schedule:

first\$10,000	7.00%
next\$15,000	8.10%
next\$225,000	9.20%
excess over\$250,000	9.75%

The corporate rates became effective January 1, 1997. The general fund receives 81% of the revenue from this source; the remaining 19% is dedicated to the education fund.

Insurance Tax

Insurance companies are taxed at a rate of 2% per annum on the gross amount of premiums written in the State of Vermont, exclusive of premiums written for reinsurance. In addition, captive insurance companies are taxed based on the volume of premiums written at a rate between 0.4% and 0.075%.

Telephone Receipts and Property Tax

In addition to the general corporate income tax, a tax of 2.37% is levied on net book value of personal property in the State of Vermont of persons or corporations owning or operating a telephone line or business within the state. Businesses with less than \$50 million in receipts may elect to pay the gross receipts tax of 5.25% in lieu of the income and property tax.

Real Property Transfer Tax

A tax is imposed upon the transfer by deed of title to property located within the State of Vermont. The rate is 0.5% on the first \$100,000 of a purchaser's principal residence and 1.25% on the amount over \$100,000. For a non-principal residence, the rate on the entire amount is 1.25%. A formula determines the distribution of the revenue among the general fund, the housing and conservation trust fund and the municipal and regional planning fund.

Liquor Tax

A tax of 25% of gross revenues is assessed upon the sale of spirituous liquor.

Description of Principal General Fund Revenue Sources (continued)

Beverage Tax

Beverage taxes are levied on bottlers and wholesalers of malt and vinous beverages at the rates of 26.5 cents and 55 cents per gallon, respectively. Vinous beverages are also subject to the general sales tax.

Estate Tax

Transfers of estates are taxed in an amount equal to the federal credit for state death taxes that was in effect for tax year 2001.

Electric Energy Tax

Electric generating plants of 200,000 kilowatts or more constructed in the State of Vermont after July 1, 1965 are assessed a tax of 2.75% of the value thereof as appraised by the Commissioner of Taxes.

Bank Franchise Tax

Effective August 1, 1997 the bank franchise tax, based on average monthly deposits, was increased from a rate of 0.004% to 0.0096%. The general fund receives 41.7% of the revenue from this source; the remaining 58.3% is dedicated to the education fund.

Cigarette Tax

A tax is imposed on all cigarettes held for sale in the State of Vermont, by any person, at a rate of 46.5 mills per cigarette (93 cents per US pack) effective July 1, 2002 increasing to 59.5 mills (\$1.19 per US pack) effective 7/1/2003.

The tax was 22 mills per cigarette from July 1, 1995 to June 30, 2002. The cigarette tax was 10 mills per cigarette from July 1, 1992 to June 30, 1995. Cigarettes are also subject to the sales tax. A tax is imposed on tobacco products at a rate of 41% of the wholesale price. The tobacco products tax was 20% of wholesale price from July 1, 1992 to June 30, 1995. **Cigarette and tobacco taxes are dedicated to the Vermont Health Access Trust Fund.**

Source: Vermont Statutes Annotated.

Description of Principal Transportation Fund Revenue Sources

Purchase and Use Tax

A purchase and use tax that is equivalent to the sales tax rate is assessed, upon the occasion of first registration, on the purchase price of a motor vehicle (less allowance for the resale value of the buyer's used vehicle). The maximum tax on trucks over 6,100 pounds, agricultural vehicles, school buses, trailers and motorcycles is \$750.00. Effective August 1, 1997 the purchase and use tax rate increased from 5% to 6%. The transportation fund receives 5/6ths of the revenue from this source; the remaining 1/6th is dedicated to the education fund.

Motor Fuel Taxes

Effective August 1, 1997, gasoline distributors are taxed at a rate of nineteen cents per gallon sold. An additional one cent tax is dedicated to the Petroleum Cleanup Fund. The distribution of gasoline tax collections is as follows (in cents per gallon):

VT Gasoline Taxes & Fees		Allocation of Taxes & Fees	
		Fund	FY 02
Gasoline Tax	0.19	Transportation Fund	15.205
Petroleum Fee	<u>0.01</u>	Education Fund	3.040
Total Taxes & Fees	0.20	DUI Fund	0.380
		Fish & Wildlife Fund	0.375
		Petroleum Fee	<u>1.000</u>
		Total:	20.000

Effective July 1, 2000 diesel fuel distributors are taxed at a rate of twenty five cents per gallon plus an additional one cent that is dedicated to the Petroleum Cleanup Fund. Vehicles registered at 26,001 pounds or greater pay twenty five cents per gallon multiplied by the number of gallons used in Vermont.

Motor Vehicle Fees

A registration fee is collected on all motor vehicle and trailers. The fee is determined by the type, size, weight, and purpose of the vehicle.

Source: Vermont Statutes Annotated.

Description of Non-Property Tax Education Fund Revenue Sources

Lottery

The State of Vermont has conducted lottery operations since 1978. Beginning in 1986, Vermont began participating in a Tri-State lottery with New Hampshire and Maine.

Telecommunications

Effective September 1, 1997 a new telecommunications sales tax was imposed at the rate of 4.36%. The first \$20.00 of monthly, residential phone service is excluded from the tax and the maximum annual telecommunications tax liability is \$10,000.

Meals and Rooms Tax

The education fund receives 20% of the revenue from this source (see description of general fund revenue sources).

Corporate Income Tax

The education fund receives 19% of the revenue from this source (see description of general fund revenue sources).

Bank Franchise Tax

The education fund receives 58.3% of the revenue from this source (see description of general fund revenue sources).

Purchase and Use Tax

The education fund receives 1/6th of the revenue from this source (see description of transportation fund revenue sources).

Motor Fuel Taxes

The education fund receives 21.0% of the revenue from this source in fiscal year 1999 and 16% beginning in fiscal year 2000 and thereafter (see description of transportation fund revenue sources).

Source: Vermont Statutes Annotated.

Chronological History of Vermont Taxes: 1882-2002

1882

Commissioner of Taxes position created; taxes in effect in 1882 were:

Railroads	2.0-5.0% of earnings per mile
Insurance	2.0% gross premiums & assessments
Savings Banks	0.5-1.0% of average deposits
Express Companies	3.0% of gross receipts
Telegraph	3.0% of gross receipts + rental of equipment
Telephone	3.0% of gross receipts + rental of equipment
Steamboats	2.0% of gross receipts

----- *Changes since 1882* -----

1890

Railroads	0.7% appraised value or 2.5% of gross receipts
Sleeping Cars	5.0% of gross receipts
Express Companies	4.0% of gross receipts
Steamboats	0.7% appraised value or 2.0% of gross receipts
Investment Companies	1.0% of amount loaned
Savings Banks	0.7% of average deposits
Trust Companies	0.7% of average deposits

1896

Collateral Inheritance (new)	5.0% of legacies & distributive shares > \$2,000
------------------------------	--

1904

RRs & Steamboats	1.0% of appraised value or 2.5% of gross receipts
Collateral Inheritance	5.0% all net estates/transfer tax – nonresidents
Express Companies	\$8.00 per mile

1906

National Bank Tax (new)	0.7% on interest bearing accounts
-------------------------	-----------------------------------

1912

Railroads	Repealed tax on gross receipts
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1916

Federal Inheritance Tax Enacted

Chronological History of Vermont Taxes

(continued)

1917

Direct Inheritance (new) 1.0-5.0% over \$250,000

1931

Electricity (new) 0.5 mill of each kilowatt hour manufactured

Personal Income (new) 2.0% of net income after exemptions; 4.0% of interest from stocks & bonds

Corporate Franchise (new) 2.0% of net income

1933

Beverage Tax (new) \$1.00 per barrel (31 gallons) malt beverage 3 cents per gallon fermented beverage

Gross Retail Sales (new) 1.0-4.0% of gross sales

1934

Beverage 3.25 cents per gallon; malt & vinous

1935

Beverage 5.0 cents per gallon; malt & vinous

Gross Retail Sales repealed (ruled unconstitutional)

1937

Beverage 10.0 cents per gallon; malt & vinous

Cigarette Tax (new) 1.5 cents per pack of 20 cigarettes

Personal Income Expanded income taxes to 4%

1946

Cigarette 2.0 cents per pack

1947

Telephone 1.25-4.25% of gross receipts

Corporate Franchise 4.0% of net income; \$25.00 minimum

1949

Personal Income 1.5-5.5% of net taxable income

Cigarette 3.0 cents per pack

1950

Beverage 15.0 cents per gallon; malt & vinous

Cigarette 4.0 cents per pack

Chronological History of Vermont Taxes

(continued)

1951

Personal Income	Withholding & estimated payments implemented
Amusement & Musical	License required; \$100.00 & \$25.00

1955

Personal Income	2.0-7.5% of net taxable income
Corporate Franchise	5.0% of net income

1957

Cigarette	5.0 cents per pack
Beverage	20.0 cents per gallon; malt & vinous

1959

Cigarette	7.0 cents per pack
Tobacco Products (new)	20.0% of price sold to retailers
Meals & Rooms (new)	3.0% of gross receipts

1963

Cigarette	8.0 cents per pack
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1965

Cigarette	10.0 cents per pack
Corporate Income	Changed from franchise tax to net income

1968

Personal Income	25.0% of federal tax liability
Meals & Rooms	4.0%
Property Transfer (new)	0.1% of sale price

1969

Cigarette	12.0 cents per pack
Beverage	25.0 cents per gallon; malt & vinous
Meals & Rooms	5.0%
Sales & Use (new)	3.0%
Corporate Income	6.0%
Telephone	2.25%-5.25% of gross receipts
Property Transfer	0.5% of sale price
Personal Income	28.75% (25.0% + 15.0% surtax)

Chronological History of Vermont Taxes

(continued)

1970

Inheritance	Replaced by estate tax
Property Tax Relief (new)	Program created for taxpayers over age 65

1972

Electrical Energy	1.9% of appraised value
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1973

Land Gains (new)	5.0-60.0% of gain
Property Tax Relief	Expanded to include under age 65; \$500 maximum
Personal Income	28.0% (25.0% + 12.0% surtax)

1974

Corporate Income	5.0-7.5%; \$50.00 minimum
Personal Income	27.25% (25.0% + 9.0% surtax)

1976

Beverage	50 cents per gallon; vinous
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1977

Personal Income	25.0% of federal liability
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1979

Personal Income	23.0% of federal liability
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1980

Estate	Federal credit for state death taxes
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1981

Beverage	55 cents/gal., vinous; 26.5 cents/gal., malt
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1982

Personal Income	24.0% of federal liability
Sales & Use	4.0%

1983

Cigarette	17.0 cents per pack
Personal Income	26.0% of federal liability
Sales Tax Rebate	Expanded program

Chronological History of Vermont Taxes

(continued)

1984

Meals & Rooms	6.0%
Corporate Income	6.0-9.0%, \$75.00 minimum until 12/31/87; 5.5-8.25%, \$75.00 minimum effective 1/1/88
Bank Franchise (new)	Replaced tax on income with tax equal to 0.00002 times average monthly deposits

1985

Hazardous Waste (new)	7.0-28.0 cents per gallon liquid; 0.9-3.4 cents per pound solid
Personal Income	26.5%
Property Tax Relief	Expanded program to \$32,000 household income

1986

Farm Use Value Appraisal	Current program expanded for farmers
Personal Income	24.0% of federal liability effective 1987
Property Tax Relief	Early payment for over 62 filers authorized

1987

Personal Income	25.8% in 1987; 25.0% in 1988
Solid Waste Franchise (new)	\$2.40/cubic yd., \$6.00/ton, \$3.50/person
Property Tax Relief	Removed income and rebate caps
Land Gains Tax	35.0-80.0% of gain
Captive Insurance	Minimum \$5,000 tax
Use Value Appraisal	Shifted responsibility from local to state government

1988

Use Value Appraisal	Added 1988 Working Farm Reimbursement Program and 1989 Working Farm Tax Abatement Program
Personal Income	23.0% of federal liability in 1988; 25.0% in 1989; added earned income credit
Telephone	Phase out of gross receipts tax; replace with corporate income and property taxes
Property Transfer Tax	1.25% (0.5% for first \$100,000 of principal residence and farm/forest land)

Chronological History of Vermont Taxes

(continued)

1989

Personal & Corp. Income	2.5% withholding on real estate sales by nonresidents
Corporate Income	Investment and holding companies limited to \$75.00
Meals & Rooms	10.0% tax on alcoholic beverages
Captive Insurance	0.7-0.1% graduated tax for each \$20 million of direct premiums

1990

Personal Income	28% 1990 and 1991, (25% 1992); 6% withholding on nonqualified deferred compensation
Fuel Gross Receipts (new)	0.5% of receipts from heating oil, kerosene, propane, gas, electricity and coal
Meals & Rooms	7% (6% effective July 1, 1992)
Hazardous Waste	Increased rates by approximately 57%

1991

Personal Income	28.0-31.0-34.0% (25.0% effective 1/1/94)
Sales & use	5.0% (4.0% effective 7/1/93); tax extended to wine and tobacco products
Meals/Rooms/Liquor	8.0-8.0-10.0% (7.0-7.0-10.0% effective 7/1/93, 6.0-6.0-10.0% effective 7/1/94)
Cigarette	18 cents 7/1/91, 19 cents 1/1/92, 20 cents 7/1/92
Bank Franchise	0.000040 x average monthly deposits
Corporate Income	\$150.00 minimum; eliminate NOL refunds
Telephone Gross Receipts	Extended to 6/30/92
Electrical Energy	3.5% of appraised value

1993

Sales & Use	5.0% extended to 6/30/95
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1994

Meals & Rooms	7.0-7.0-10.0% made permanent
Personal Income	Repealed sales tax rebate

1995

Sales & Use	5.0% extended to 6/30/96
Telephone Gross Receipts	Extended to 6/30/96
Cigarette	44 cents per pack 7/1/95

Chronological History of Vermont Taxes

(continued)

1996

Sales & Use	5.0% extended to 6/30/97 (sales tax on energy used in manufacturing sunset from 2.0% to 0.0% - 7/1/96)
Utility Gross Receipts	Extended to 6/30/98
Personal Income	Federal armed forces education loan repayments exempt (sunsets 1/1/99)
Limited Liability Co. (new)	Formation authorized

1997

Sales & Use	Sunset repealed, tax rate = 5.0%; 1.0% local option authorized; sale of fresh cut flowers by charitable organizations exempt
Telecommunications Sales (new)	4.36%; first \$20 of monthly residential telephone bill is exempt; max. annual tax liability = \$10,000
Bank Franchise	Increased 0.0056% to 0.0096% of monthly deposits
Corporate Income	Minimum increased \$100 to \$250; sliding scale increased 1.5%; new max. tax rate = 9.75%
Meals & Rooms	Increased 2.0% to 9.0%; liquor remains 10.0%; 1.0% local option authorized;
Gasoline	Increased 4 cents to 19 cents (20 cents with Petroleum Cleanup Fund tax)
Purchase & Use	Increased 1.0% to 6.0%; tracked vehicles now subject to the sales & use tax
Personal Income	\$1,500 national guard exemption if AGI is less than \$47,000.00; federal education loan repayment sunset repealed
Statewide Property Tax (new)	\$1.10 per \$100.00 assessed value

1998

Electric RRs, Steamboat, Express & Telegraph Companies	Business franchise taxes repealed; now subject to corporate income tax
Sales & Use	Recycled construction materials exempt; railroad construction materials exempt
Telecommunications	Prepaid calling cards taxed at 5.0%
Fuel Gross Receipts	Extended to 7/1/2003

Chronological History of Vermont Taxes

(continued)

1998

Corporate Income	Small investment companies exempt from minimum tax
Personal Income	Non-resident motion picture income subject to the same tax rate in effect in state of residence (sunsets in 2000)

1999

Personal Income	24.0% of federal liability effective 1/1/2000
Sales & Use	Articles of clothing valued at less than \$110.00 each are exempt effective 12/1/1999; footwear valued at less than \$110.00 becomes exempt 7/1/2001
Earned Income Credit	25% or equal to tax rate, whichever is greater; effective 1/1/2000
Electric Generating	2.75% of appraised value effective 1/1/2000

2000

Purchase & Use	Tax cap for trucks increased from \$700 to \$1,100 effective 7/1/2000
Earned Income Credit	32% or equal to tax rate, whichever is greater, effective 1/1/2000
Diesel Fuel	25 cents per gallon, collected at the distributor level, for vehicles registered or weighing less than 25,001 pounds; all other vehicles pay 25 cents per gallon multiplied by the number of gallons used in Vermont. Effective 7/1/2000
Personal Income	Sunset repealed for non-resident motion picture income subject to the same tax rate in effect in state of residence

2001

Personal Income	Restructured for tax years 2001 and 2002; re-coupled from federal tax liability to federal taxable income; new tax is equal to 24% of federal liability prior to the passage of EGTRRA; sunsets 1/1/2003.
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Chronological History of Vermont Taxes

(continued)

2002

Personal Income	<p>Permanently linked to federal taxable income with five tax brackets: 3.6%, 7.2%, 8.5%, 9.0%, 9.5%. Forty percent of long term capital gains are excluded from taxable income; the balance is taxed at ordinary rates. The Alternative Minimum Tax is eliminated. Effective 1/1/2002</p> <p>Members of the National Guard and US Reserve may exempt the first \$2,000 of military pay if AGI is less than \$50,000. Effective 1/1/2003</p>
Corporate Income	<p>The federal accelerated depreciation allowance is disallowed. Effective 1/1/2001</p>
Estate Tax	<p>The state tax credit allowed by federal law is adopted at tax year 2001 rates. Eliminates the estate tax on farms. Effective 1/1/2002</p>
Sales & Use	<p>Steel toed work boots are exempt regardless of value effective 1/1/2003. Building materials temporarily stored in Vermont are exempt from the Use Tax effective 7/1/2002. Repealed the exemption for fertilizer and pesticides unless used in agriculture effective 7/1/2002</p>
Cigarette	<p>93 cents per pack effective 7/1/2002; \$1.19 per pack effective 7/1/2003</p>
Motor Vehicle Rental	<p>Increased from 5% to 7% effective 7/1/2002</p>

History of Selected Vermont Taxes by Type of Tax

Personal Income Tax

1931	New tax based on 2.0% of net income after exemptions; 4.0% of interest from stocks & bonds
1937	Increased to 4.0% of net income after exemptions
1949	1.5% - 5.5% of net taxable income
1951	Withholding & estimated payments implemented
1955	2.0% - 7.5% of net taxable income
1968	Restructured; 25.0% of federal tax liability
1969	Increased to 28.75% (25.0% + 15.0% surtax)
1973	Reduced to 28.0% (25.0% + 12.0% surtax)
1974	Reduced to 27.25% (25.0% + 9.0% surtax)
1977	Reduced to 25.0% of federal liability
1979	Reduced to 23.0% of federal liability
1982	Increased to 24.0% of federal liability
1983	Increased to 26.0%
1985	Increased to 26.5%
1986	Reduced to 24.0% effective 1/1/87
1987	25.8% effective 1/1/87; 25.0% effective 1/1/88
1988	23.0% effective 1/1/88; 25.0% effective 1/1/89; added earned income credit
1989	2.5% withholding on real estate sales by nonresidents
1990	28.0% effective 1/1/90; 25.0% effective 1/1/92; 6% withholding on nonqualified deferred compensation
1991	28.0% - 31.0% - 34.0% effective 1/1/91; 25.0% effective 1/1/94
1994	Repealed sales tax rebate
1996	Federal armed forces education loan repayments exempt; sunsets 1/1/99
1997	\$1,500 national guard exemption if AGI is less than \$47,000; federal loan repayment sunset repealed
1998	Nonresident motion picture income subject to the same tax rate in effect in state of residence; sunsets 2000
1999	24.0% effective 1/1/2000
2000	Sunset repealed for nonresident motion picture income subject to the same tax rate in effect in state of residence
2001	Restructured for tax years 2001 and 2002; re-coupled from federal tax liability to federal taxable income; new tax is equal to 24% of federal liability prior to the passage of EGTRRA; sunsets 1/1/2003.

History of Selected Vermont Taxes by Type of Tax (continued)

Personal Income Tax

2002 Permanently linked to federal taxable income with five tax brackets: 3.6%, 7.2%, 8.5%, 9.0%, 9.5%. Forty percent of long term capital gains are excluded from taxable income; the balance is taxed at ordinary rates. The Alternative Minimum Tax is eliminated. Effective 1/1/2002

Members of the National Guard and US Reserve may exempt the first \$2,000 of military pay if AGI is less than \$50,000. Effective 1/1/2003

History of Selected Vermont Taxes by Type of Tax (continued)

Corporate

1931	New franchise tax based on 2.0% of net income
1947	increased to 4.0%; \$25 minimum tax
1955	increased to 5.0%
1965	restructured from franchise tax to income tax
1969	6.0% corporate income tax
1974	restructured to a range of 5.0% to 7.5%; \$50 minimum
1984	6.0% - 9.0%; \$75 minimum until 12/31/87; 5.5% - 8.25%; \$75 minimum effective 1/1/88
1991	minimum tax increased to \$150; NOL refunds eliminated
1997	7.0 % - 9.75%; minimum \$250
1998	small investment companies exempt from minimum tax
2002	The federal accelerated depreciation allowance is disallowed. Effective 1/1/2001

General Sales & Use

1969	New tax based on 3.0% of retail sale
1982	Increased to 4.0%
1991	Increased to 5.0%; tax extended to wine and tobacco products; 4.0% effective 7/1/93
1993	5.0% rate extended to 6/30/95
1995	5.0% rate extended to 6/30/96
1996	5.0% rate extended to 6/30/97; tax on energy used in manufacturing reduced from 2.0% to 0.0% effective 7/1/96
1997	Sunset repealed; tax rate = 5.0%; 1.0% local option authorized; sale of fresh cut flowers by charitable organizations exempt
1998	Recycled construction materials exempt; railroad construction materials exempt
1999	Articles of clothing valued at less than \$110 each are exempt effective 12/1/99; footwear valued at less than \$110 exempt effective 7/1/2000
2002	Steel toed work boots are exempt regardless of value effective 1/1/2003. Building materials temporarily stored in Vermont are exempt from the Use Tax effective 7/1/2002. Repealed the exemption for fertilizer and pesticides unless used in agriculture effective 7/1/2002

History of Selected Vermont Taxes by Type of Tax (continued)

Rooms & Meals

1959	New tax based on 3.0% of gross receipts
1968	Increased to 4.0%
1969	Increased to 5.0%
1984	Increased to 6.0%
1989	Alcoholic beverage component increased to 10.0%
1990	Rooms and meals Increased to 7.0%
1991	Rooms and meals Increased to 8.0% - 8.0% - 10.0%; effective 7/1/93, 7.0% - 7.0% - 10.0%; effective 7/1/94, 6.0% - 6.0% - 10.0%
1993	Rooms and meals decreased to 6.0%
1994	Rooms and meals increased to 7.0%
1997	Rooms and meals Increased to 9.0% ; 1.0% local option authorized

Cigarette

1937	New tax; 1.5 cents per pack of 20 cigarettes
1946	Increased to 2.0 cents per pack
1949	Increased to 3.0 cents per pack
1950	Increased to 4.0 cents per pack
1957	Increased to 5.0 cents per pack
1959	Increased to 7.0 cents per pack
1963	Increased to 9.0 cents per pack
1965	Increased to 10.0 cents per pack
1969	Increased to 12.0 cents per pack
1983	Increased to 17.0 cents per pack
1991	18.0 cents 7/1/91; 19.0 cents 1/1/92; 20.0 cents 7/1/92
1995	Increased to 44.0 cents per pack effective 7/1/95
2002	Increased to 93 cents per pack effective 7/1/2002; \$1.19 per pack effective 7/1/2003

Sources: Vermont Department of Taxes, Vermont Statutes Annotated

A Guide to Vermont State Government Appropriations

Vermont state government is organized into nine functions of government. These are:

- General Government
- Protection to Persons and Property
- Human Services
- Employment and Training
- General Education and Higher Education
- Natural Resources
- Commerce and Community Development
- Transportation
- Debt Service

These definitions are not unique to Vermont. All of the states use similar definitions. This makes it possible to compare apples to apples between state appropriations. Briefly, the functions of government listed above include the following activities:

General Government:

This function of government contains the appropriations for the Legislative Branch of government. Further, it includes that portion of the Executive Branch of government which provides support to the balance of state government. Examples are: Personnel, Financial Operations, and Buildings and General Services.

Protection to Persons and Property:

This function of government contains the appropriations relating to the law enforcement community. This includes the Department of Public Safety, the Defender General, the State's Attorneys and Sheriffs. Also included are several miscellaneous appropriations, such as, the Military Department and the Fire Service Training Council.

Human Services:

This function of government contains the appropriations which concern social policy. Included are public health programs, mental health programs, day care, foster care, aid to needy families with children, Medicaid, general assistance, aid to the aged blind and disabled, etc.

Employment and Training:

This function of government is primarily federally funded and is concerned with job placement for the unemployed. Also, the Department of Employment and Training gathers vital statistics concerning employment/unemployment, average hourly wages, gross state product, etc.

General Education and Higher Education:

This function of government contains the appropriations for K-12 education, and the operation of the Department of Education. Higher Education appropriations are for the Vermont Student Assistance Corp. (VSAC), UVM and the Vermont State Colleges.

Natural Resources:

This function of government is concerned with environmental protection and the operation of our state parks.

Commerce and Community Development:

This function of government contains appropriations relating to the creation of affordable housing and the promotion of economic development. This function of government operates the Interstate Welcome Centers.

Transportation:

This function of government contains appropriations which support the operation of the Department of Motor Vehicles and all air, rail, and surface transportation activities. This includes the engineering and construction of roads and bridges.

Debt Service:

This "function of government" contains the appropriations necessary to make the required, annual principal and interest payments on the state's bonded indebtedness.

* * *

A function of government will contain all the appropriations for an **agency** of the executive branch, e.g., General Government contains the appropriations for the Agency of Administration. Three functions of government have no agency super structure; these are Protection, Education, and Debt Service. All other functions of government contain appropriations for an agency and miscellaneous related organizations.

Within a function/agency, appropriations are organized into **departments**. Commissioners of departments of state government, also known as the "appointing authority," have duties and powers described in Vermont Statutes. A small department of government may have a single appropriation, however, departments generally have multiple missions and responsibilities. Therefore, a department will typically have several discrete appropriations specific to each **division** of the department.

A division may operate several **programs**. The general assembly does not appropriate to the program level of government. Details of intended program expenditures are given in the Governor's budget submission to the general assembly. This submission, numbering in the hundreds of pages, fills two file cabinet drawers and contains a description of each program's basis in statute, the past year's accomplishments, the upcoming year's goals, staffing levels, and expenditure targets. [A more in depth treatment of the Governor's budget submission is beyond the scope of this discussion. The Joint Fiscal Office provides a complete set of budget documents for use by the members. These documents are located in the public area outside of the Legislative Lounge.] Suffice it to say that, while the Legislature does not appropriate to this level of government, it expects and requires the Executive Branch to fulfill the objectives set forth in the detailed submission.

The expenditure categories are as follows:

Personal Services:

If an appropriation supports employees who are paid through state government's payroll system, there will be a personal services expenditure category. This category will provide funding for wages and the employer's share of benefits. Also, if the department or division intends to contract for non-employee personal services, the funding will be included in this expenditure category.

Operating Expense:

This contains funding for two basic types of expenditures: consumables like paper, electricity, subscriptions, telephone, etc., and durables like computers and copy machines. The operating expense budget for each unit of government is unique to that department or division. Items included in the budget will vary greatly depending upon whether the division occupies rented quarters or a state owned building and the condition (age) of its equipment.

Grants:

This expenditure category contains the funds that will be disbursed in pursuit of a department or division's program mission. Grants may be made to individuals, e.g., Medicaid, and general assistance, to municipalities, e.g., town highways grants and special education formula grants, or non-profit organizations.

Other:

This is an unrestricted expenditure category. As the name implies, funds contained in this category are not **otherwise** classifiable. Generally, the other category is used for disbursements that support a program, but which do not quite fit the grants definition. An example is the Municipal Current Use Program. Another example is the Legislature's own budget.

The sources of funds which support appropriations are:

General: Unrestricted general state revenue.

Transportation: Earmarked state revenue from specific sources.

Education: Earmarked state revenue from specific sources.

Fish and Wildlife: Earmarked state revenue from specific sources.

Federal: Federal revenue, typically distributed according to a formula and usually earmarked for specific programs.

Special: State revenue, typically derived from fees and often earmarked.

Bond: State revenue derived from the issuance of general obligation bonds and restricted as to use.

Trust: Highly restricted state revenue from sources such as the state employee retirement trust fund.

Internal service: These are bookkeeping entities created to track certain kinds of costs. An example would be an internal service fund for the photocopy center of an agency. Funds are appropriated to different departments of the agency which then "purchase" photocopy services from the center as needed. The internal service fund provides an accounting mechanism for estimating for budget purposes and for keeping track of the actual costs of operating the photocopy center. Internal service funds, however, do involve a double counting of funds.

In the example, the agency department spends \$1 of appropriated funds buying photocopy services which the center books as \$1 of internal service fund revenue. When the center buys supplies, the same \$1 is booked as an internal service fund expenditure.

Revolving: Funds which are not new revenue from any source. These "funds" represent an expenditure authority which may or may not be adequately financed in any given fiscal year. If successful, payments into the revolving fund will equal disbursements from the fund. In any event, expenditures in support of this unit of government may be made, up to the limit of the appropriation, even if it results in a deficit or surplus in the fund.

Transfer: Funds which are not new revenue from any source. These "funds" represent a transfer from one unit of government to another. The original source may be general, transportation, federal, etc. An example is the Fire Service Training Council which receives transfer funds from the Department of Public Safety.

Direct Applications: Unanticipated funds and expenditure recoveries from other funds that are deposited to the general fund with Legislative authorization.

General Fund Appropriations: Five Year Detailed History

(Fiscal Year 2003 Appropriations from Act #142 of the 2002 session;
includes August 2002 Executive Rescissions; prior to budget adjustment.)

PROGRAM	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
GENERAL GOVERNMENT					
Administration Agency					
Secretary's Office	304,880	361,051	376,009	376,786	387,988
Budget & Management	550,361	580,216	597,042	618,663	612,323
Financial Operations	656,340	625,416	643,553	669,465	0
Personnel	1,626,289	1,733,842	1,831,020	1,906,908	1,632,215
Buildings & General Services	12,870,971	13,264,515	13,081,313	13,022,253	4,137,161
Information Centers	0	0	0	94,138	0
Tax Department	6,707,314	9,988,470	10,573,214	12,052,482	11,694,830
Property Tax Reform Implementation	2,362,111	0	0	0	0
Libraries	1,738,645	1,835,067	1,932,931	1,955,933	2,227,850
Total Agency of Administration	26,816,911	28,388,577	29,035,082	30,696,628	20,692,367
Auditor of Accounts	398,260	418,994	435,718	442,759	465,151
State Treasurer	376,797	472,535	494,001	502,658	607,438
Labor Relations Board	144,660	152,058	158,663	160,113	168,958
Executive Office	918,779	956,056	990,249	989,521	1,071,473
National & Community Service	52,608	54,880	56,069	60,803	60,803
Governor-Elect	0	0	0	0	30,000
VOSHA Review Board	11,006	11,415	11,645	18,709	18,654
City of Montpelier - Municipal Services	184,000	184,000	184,000	184,000	184,000
Correctional Facilities	40,000	40,000	40,000	40,000	40,000
Tax Payment					
Payments in Lieu of Taxes	0	1,250,000	1,250,000	1,450,000	1,100,000
Use Tax	1,350,000	1,849,186	2,039,472	2,265,437	3,029,610
Reimbursement					
Lieutenant Governor	76,575	82,193	85,691	87,791	92,060
Legislature	3,443,400	3,093,628	3,322,821	3,752,869	3,783,378
Legislative Council	1,021,129	1,267,968	1,316,558	1,359,322	1,444,667
Sergeant-at-Arms	182,426	199,524	206,366	316,935	320,207
Joint Fiscal Office	438,027	499,702	584,681	640,687	747,276
Education Reform Implementation	30,000	0	0	0	0
FUNCTION TOTAL - GENERAL GOVERNMENT	35,484,578	38,920,716	40,211,016	42,968,232	33,856,042
PROTECTION					
Attorney General	1,968,910	2,020,089	2,174,593	2,100,705	2,274,914
Termination of Parental Rights	0	0	0	0	0
Court Diversion	408,082	424,342	453,072	574,230	615,531
State's Attorneys	4,409,883	4,651,739	4,979,958	5,411,575	5,768,721
Sheriffs	1,318,049	1,563,520	1,531,839	1,859,853	1,075,541
Transports	0	0	0	0	749,687
Defender General	4,526,590	5,746,487	5,848,588	6,119,275	6,240,661
Military	2,092,288	2,049,886	2,453,424	2,832,267	2,853,772
Labor & Industry	691,985	673,773	704,265	765,597	860,096

General Fund Appropriations: Five Year Detailed History

(continued)

PROGRAM	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Criminal Justice Training Council	77,314	121,917	150,255	145,337	469,083
Racing Commission	0	0	0	6,530	1
Secretary of State	951,727	816,446	656,448	511,108	506,141
Banking & Insurance	514,310	525,932	538,601	524,428	486,513
Public Safety	5,816,230	6,586,113	7,306,553	7,459,383	14,366,063
Fire Service Training Council	60,000	59,688	62,199	130,897	251,588
Firefighter 1 Training	0	0	0	0	50,000
Agriculture	2,614,662	2,750,123	2,872,029	3,284,801	3,561,188
State Stipend	75,000	125,000	150,000	163,257	163,500
Judiciary	14,482,338	15,339,387	16,284,806	16,979,541	19,906,952
Ctr for Crime Victims' Services	554,597	570,126	587,230	728,721	728,724
Human Rights Commission	215,743	250,341	261,490	246,584	257,484
FUNCTION TOTAL - PROTECTION	40,777,708	44,274,909	47,015,350	49,844,089	61,186,160
HUMAN SERVICES					
Human Services Agency					
Secretary's Office	3,503,015	3,580,070	3,669,785	3,832,940	4,367,245
Economic Opportunity Office	568,267	752,049	903,598	978,464	1,110,673
Human Services Board	82,770	84,298	87,731	89,718	98,500
Corrections	55,878,621	63,526,248	69,907,145	73,237,636	75,416,105
Health	14,753,174	14,598,718	16,681,326	17,188,181	16,916,678
PATH	115,978,183	117,336,649	118,736,441	119,987,471	110,498,224
Office of Child Support Services	837,510	834,126	878,370	932,555	1,086,425
Social & Rehabilitative Services	28,186,162	29,633,488	31,403,436	33,424,125	34,196,619
Aging and Disabilities	8,760,387	10,557,816	12,274,631	12,832,073	15,440,956
Aging - Homemaker Prg - One Time Appropriation	0	200,000	0	0	0
Developmental & Mental Health Services	44,330,547	49,195,476	53,198,655	56,760,665	59,717,047
Total Agency of Human Services	272,878,636	290,298,938	307,741,118	319,263,828	318,848,472
Childrens' Trust Fund	109,748	109,748	109,748	106,156	102,705
Governor's Commission on Women	177,677	205,941	214,642	199,912	230,386
RSVP	101,500	129,340	133,220	132,400	130,071
Association for the Blind	23,500	24,160	24,885	24,885	24,447
Disabled and Needy Veterans	29,996	30,836	31,761	31,565	37,025
Veterans Home	1,005,887	1,048,169	1,085,254	1,049,733	911,786
Independence Fund	1	1	1	0	0
FUNCTION TOTAL - HUMAN SERVICES	274,326,945	291,847,133	309,340,629	320,808,479	320,284,892

General Fund Appropriations: Five Year Detailed History

(continued)

PROGRAM	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
EMPLOYMENT & TRAINING					
Employment & Training	303,067	402,160	411,063	781,260	653,367
Human Resources Investment Council	85,000	0	0	0	0
FUNCTION TOTAL - EMPLOYMENT AND TRAINING	388,067	402,160	411,063	781,260	653,367
EDUCATION					
Education Department	11,325,470	12,158,641	12,412,987	13,056,796	13,585,091
Fiscal Review Panel	0	0	0	0	47,935
Civic Education	10,000	0	17,000	0	16,301
Fund Appropriations & Transfers to Education Fd	224,804,875	231,149,412	238,099,196	246,427,558	245,705,935
One Time Fund Transfer	0	11,100,000	0	0	0
Appropriation to Ed Dept - Implementation of Act 60	300,000	0	0	0	0
Tax Department - Homestead Property Tax Income	3,529,417	4,329,417	5,222,417	4,900,000	0
Teachers Retirement	18,080,000	18,586,240	19,143,827	20,446,282	20,446,282
Property Tax Assistance	0	0	0	0	6,500,000
Total - General Education	258,049,762	277,323,710	274,878,427	284,830,636	286,301,544
University of Vermont	28,253,036	30,330,748	32,447,285	34,182,130	36,197,999
Morgan Horse Farm	1	1	1	1	4,912
Vermont Public Television	563,750	579,535	596,921	604,136	593,507
Vermont State Colleges	16,092,000	17,218,440	18,432,696	19,598,628	20,769,755
Practical Nursing Schools	481,000	514,670	540,404	578,232	592,206
Interactive Television	743,125	788,933	812,601	840,507	836,775
VT Student Assistance	12,926,951	13,831,839	14,805,431	15,445,766	16,356,671
NE Higher Education Compact	72,605	72,605	77,809	76,642	75,294
Education Comm of the States	39,600	39,600	39,600	39,600	100
Total - Higher Education	59,172,068	63,376,371	67,752,748	71,365,642	75,427,219
FUNCTION TOTAL - EDUCATION	317,221,830	340,700,081	342,631,175	356,196,278	361,728,763
NATURAL RESOURCES					
ANR					
Administration	1,771,237	2,116,653	2,027,791	2,138,032	2,326,902
Connecticut River Watershed Advisory Comm.	19,000	25,000	25,000	25,000	25,000
Local Property Tax Assessment	523,917	526,442	619,597	691,468	806,923

General Fund Appropriations: Five Year Detailed History

(continued)

PROGRAM	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Lake Champlain Commission	5,000	5,000	5,000	9,015	10,000
Forests, Parks & Recreation	3,398,824	3,585,544	3,898,110	3,984,878	4,571,100
Environmental Conservation	3,827,703	3,983,340	4,245,463	4,484,571	7,319,350
Total ANR	9,545,681	10,241,979	10,820,961	11,332,964	15,059,275
Environmental Board & District Comm. - Act 250	889,187	681,664	796,625	811,128	809,045
Water Resources Board	227,693	256,580	310,246	314,679	318,178
FUNCTION TOTAL - NATURAL RESOURCES	10,662,561	11,180,223	11,927,832	12,458,771	16,186,498
COMMERCE & COMMUNITY DEVELOPMENT					
Development Agency					
Administration	752,877	821,795	857,634	1,344,475	1,683,210
Historic Sites	324,558	350,228	365,357	395,741	399,041
Housing & Community Affairs	1,031,926	1,121,938	1,310,396	1,364,373	1,418,257
Economic Development	2,215,038	2,698,296	2,726,390	2,428,705	2,444,670
Tourism & Marketing	4,914,036	4,949,229	4,890,363	4,682,757	4,408,057
Marketing and Promotional Team	0	0	0	0	348,405
Government Marketing Assistance Ctr.	80,480	84,337	86,060	90,267	90,324
Economic Development Council of Northern VT	25,000	0	0	0	0
Vermont Training Program	584,929	601,837	605,628	606,813	705,922
Job Development Zones	0	0	0	0	50,967
Information Centers	249,499	0	0	0	0
Total Agency of Development	10,178,343	10,627,660	10,841,828	10,913,131	11,548,853
VEDA	900,581	312,666	322,046	263,088	0
Council on the Arts	481,750	505,239	520,396	517,206	517,206
Vermont Symphony Orchestra	92,250	104,833	107,978	107,326	107,326
VT Historical Society	215,250	236,277	258,365	256,781	405,830
VT Council on the Humanities	25,625	75,000	75,000	139,935	137,473
Mun. & Reg. Plan. Fd.	0	0	0	0	0
FUNCTION TOTAL - DEVELOPMENT	11,893,799	11,861,675	12,125,613	12,197,467	12,716,688
DEBT SERVICE					
Short Term Interest	904,272	150,000	0	0	0
Bonded Debt	22,836,926	23,351,969	23,616,811	22,005,182	0
Principal	43,234,809	45,402,414	44,456,956	41,894,190	66,958,806
Job Zones	54,271	63,728	68,680	59,789	0
FUNCTION TOTAL - DEBT SERVICE	67,030,278	68,968,111	68,142,447	63,959,161	66,958,806

General Fund Appropriations: Five Year Detailed History

(continued)

PROGRAM	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
MISCELLANEOUS					
FY 2000 - One Time Appropriations	0	14,553,017	11,585,160	0	0
FY99 One Time School Construction	0	11,139,728	0	0	0
GF One Time Transfers & Contingencies	0	9,280,000	0	0	0
FY 2001 - One Time Appropriations	0	13,708,928	16,100,000	0	0
FY 2001 - Budget Adjustment - One Time	0	0	3,921,361	0	0
FY01/002 1 Time Approp. (Act 63, 2001 Session)	0	0	6,919,000	7,775,879	0
One Time App - Legislative & Judicial	0	0	0	218,000	0
Shoreham Nonpoint Source Phosphorus Control (Act 110, Sec. 40)	0	0	0	15,000	0
1 Time Drug Intervention Docket: Dist/Family Court	0	0	0	27,333	0
GF Trans & App, Treas., Gen Obligation Bonds	0	0	6,000,000	0	0
Insurance Reserve Fund (Adj. Act 1, Sec. 84)	300,000	0	0	0	0
One Time Expenditures (Adj, Act 1, Sec. 88)	17,746,988	0	0	0	0
GF to Tax Dept for Prebates (Adj, Act 1, Sec. 60c)	492,000	0	0	0	0
GF to Treas for Champ Alternatives (Adj, Act 1, Sec 88b)	10,000	0	0	0	0
GF to LC for Health Study (Adj, Act 1, Sec 105)	150,000	0	0	0	0
Operating Expense Reduction (INFO ONLY)	(187,000)	0	0	0	0
Pay Act, FY1998 Carry Forward	(57,000)	0	0	0	0
FUNCTION TOTAL - MISCELLANEOUS	18,641,988	48,681,673	44,525,521	8,036,212	0
OTHER BILLS:					
Pay Act	4,261,026	2,655,722	4,716,708	4,480,876	5,891,305
Firefighters; Survivors' Benefits (Act 119, S.8)	0	0	0	0	60,000
Judiciary, Law Clerk (Act 149, Capitol, H.763)	0	0	0	0	59,000
Pilot Project for Combating Drug Crimes (Act 1228, H.128)	0	0	0	10,000	0

General Fund Appropriations: Five Year Detailed History

(continued)

PROGRAM	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Comp Benefits for Certain Employees,	0	0	0	400,000	0
Leg. Session Costs Minimum Wage (Act 21)	0	60,000	0	0	0
Legislature - 2000 Session (Act 96, H.325)	0	380,000	0	0	0
Health Care, Independent	0	150,000	0	0	0
Performance Audit (Act 118, H.711)					
Violence in Schools (Act 113, H.270)	0	0	90,000	0	0
SOS, Address Confidentiality Prg (Act 134)	0	0	17,000	0	0
Consolidated Fee Bill (Act 155, H.854)	0	0	29,000	0	0
Misc. Tax Reduction Act of 1999 (H.548)	0	300,000	0	0	0
Education Financing (Act 71, H.577)	1,066,000	0	0	0	0
Blended Sentences for Youthful Offenders (Act 116, S.162)	100,000	0	0	0	0
DUI MV, Age, Insurance (Act 117, S.185)	231,000	0	0	0	0
Downtown Comm. Devel. (Act 120, H.278)	60,000	0	0	0	0
Exec. Study of Classification Sys (Act 141, H.743)	20,000	0	0	0	0
TOTAL - OTHER BILLS	5,738,026	3,545,722	4,852,708	4,890,876	6,010,305
GRAND TOTAL - GENERAL FUNDS	782,165,780	860,382,403	881,183,354	872,140,825	879,581,521

**Transportation Fund Appropriations:
Five Year Detailed History**

(Fiscal Year 2003 Appropriations from Act 142 of the 2002 session;
includes August 2002 rescissions; prior to budget adjustment.)

PROGRAM	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
GENERAL GOVERNMENT					
Administration - Secretary	58,327	58,327	61,034	61,034	61,875
Finance & Management	466,366	466,366	479,890	479,890	132,511
Personnel	607,604	607,604	636,891	636,891	648,047
Buildings & General Services	1,880,910	4,457,533	5,104,460	5,710,448	4,092,725
Tax	247,566	247,566	258,427	258,427	263,785
Use Tax Reimbursement Fund	2,050,000	1,944,016	2,105,144	2,420,400	2,070,390
Auditor of Accounts	66,844	66,844	69,490	69,490	70,368
State Treasurer	115,953	115,953	121,214	121,214	123,714
State Labor Relations Board	5,125	5,125	5,412	5,412	5,528
Executive - Governor's Office	177,497	177,497	183,709	183,709	187,676
Lieutenant Governor	21,142	21,142	22,044	22,044	22,611
Legislature	798,100	798,100	856,937	856,937	859,687
Legislative Council	251,532	251,532	270,053	270,053	278,124
Sergeant at Arms	46,217	46,217	47,843	47,843	48,693
Joint Fiscal Office	111,233	151,233	158,371	158,371	161,550
FUNCTION TOTAL - GENERAL GOVERNMENT	6,904,416	9,415,055	10,380,919	11,302,163	9,027,284
PROTECTION					
Attorney General	78,539	78,539	81,696	81,696	83,495
Public Safety	20,948,577	21,129,466	22,236,191	23,949,243	21,307,070
VT Court Diversion	172,625	172,625	177,804	177,804	177,804
State's Attorneys	414,598	414,598	436,856	436,856	447,230
Sheriffs	534,301	534,301	668,421	668,421	684,075
Agriculture	43,082	43,082	45,013	45,013	45,824
Judiciary	2,926,073	2,926,073	3,565,620	3,565,620	3,627,781

**Transportation Fund Appropriations:
Five Year Detailed History**
(continued)

PROGRAM	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Criminal Justice Training Council	339,807	339,807	346,281	346,281	348,154
Defender General	860,276	860,276	883,240	883,240	890,068
VT Fire Service Training Council	95,000	95,000	98,994	98,994	99,985
FUNCTION TOTAL - PROTECTION	26,412,878	26,593,767	28,540,116	30,253,168	27,711,486
HUMAN SERVICES					
Aging & Disabilities – Advocacy	522,000	522,000	522,000	522,000	522,000
Corrections - Services	1,343,011	1,343,011	1,402,578	1,402,578	1,424,702
Social & Rehabilitative Services	75,000	75,000	75,000	75,000	75,000
FUNCTION TOTAL - HUMAN SERVICES	1,940,011	1,940,011	1,999,578	1,999,578	2,021,702
EDUCATION					
Education Department	639,932	639,932	639,932	639,932	642,080
Property Tax Assistance - FY2003	0	0	0	0	3,842,000
Tax Dept - Homestead Property Tax Income	3,035,083	3,035,083	3,928,083	3,600,000	0
FUNCTION TOTAL - EDUCATION	3,675,015	3,675,015	4,568,015	4,239,932	4,484,080
NATURAL RESOURCES					
Forests, Parks & Recreation	570,039	570,039	628,039	628,039	628,039
State Land Local Property Tax Assessment	218,567	218,567	225,124	262,815	262,815
Environmental Conservation	207,289	207,290	216,584	216,584	221,040
FUNCTION TOTAL - NATURAL RESOURCES	995,895	995,896	1,069,747	1,107,438	1,111,894
DEVELOPMENT					
DCA - Admin. & Mngt. Planning	148,658	156,921	163,726	0	0
Welcome Centers & Rest Areas	2,451,120	0	0	0	0
FUNCTION TOTAL - DEVELOPMENT	2,599,778	156,921	163,726	0	0

**Transportation Fund Appropriations:
Five Year Detailed History**
(continued)

PROGRAM	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
DEBT SERVICE					
Interest	1,230,184	1,108,463	955,217	841,689	0
Principal	2,626,182	2,680,746	2,176,103	2,068,366	2,835,622
FUNCTION TOTAL - DEBT SERVICE	3,856,366	3,789,209	3,131,320	2,910,055	2,835,622
MISCELLANEOUS					
Rutland Multi-Modal Transportation Center to BGS	0	0	0	0	240,000
FY2001 Transportation Reimbursement (Act 63 2001)	0	0	4,100,000	0	0
FY 2000 - 27th Pay Day	0	1,980,102	0	0	0
FY 2000 One Time Appropriations	0	1,932,640	0	0	0
Pay Act Reduction (Adj, Act 1, Sec. 264a)	(143,000)	0	0	0	0
One Time Expend for new FMIS (Adj, Act 1, Sec 88)	880,000	0	0	0	0
FUNCTION TOTAL - MISCELLANEOUS	737,000	3,912,742	4,100,000	0	240,000
TRANSPORTATION					
Transportation and Arbitration Board	104,023	115,350	122,000	80,000	74,762
Agency of Transportation					
Secretary's Office	6,410,000	6,570,000	7,487,633	7,900,000	8,734,748
Technical Services	11,157,217	2,675,000	2,695,659	3,165,200	3,786,152
Traffic Operations	0	0	0	0	940,822
Rest Areas	251,999	880,750	319,100	396,884	484,199
Vermont Transportation Authority	0	0	0	490,989	521,259
Policy & Planning	4,600,413	4,529,700	5,716,435	5,709,787	6,014,764
Maintenance-State System	36,498,956	36,178,956	37,609,856	46,316,856	46,926,890
Buildings (Was Building Maintenance)	0	0	2,800,000	1,565,000	1,565,000
Rail Program	5,643,342	6,757,862	6,695,239	12,220,435	6,243,074
Aviation Program	0	0	3,118,000	2,526,500	2,535,000

**Transportation Fund Appropriations:
Five Year Detailed History**
(continued)

PROGRAM	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Central Garage Revolving Fund	1,970,000	750,000	0	0	0
Project Development & Special Projects Unit	8,733,901	21,872,469	26,811,692	25,599,233	23,236,750
Total Agency	75,265,828	80,214,737	93,253,614	105,890,884	100,988,658
Department of Motor Vehicles:					
Customer Service	12,750,000	13,175,000	14,321,777	15,400,000	16,213,234
Motorcycle Rider Training	0	0	0	0	220,834
Total Department	12,750,000	13,175,000	14,321,777	15,400,000	16,434,068
Town Highways:					
Grants	23,504,280	23,504,280	23,504,280	22,769,744	23,857,744
Structures	0	0	0	3,494,500	3,494,500
Bridges	3,498,556	4,892,117	4,234,866	5,403,007	4,700,034
Emergency Fund	1,300,000	750,000	750,000	0	182,111
Class 1 Supplemental	125,000	125,000	125,000	128,750	128,750
Town Bridge/Culvert	2,250,000	2,750,000	3,150,000	0	0
Class 2 Resurfacing Program (2 for 1 Match)	3,625,000	3,625,000	3,625,000	4,036,750	4,248,750
Class 2 Rehabilitation Program	0	500,000	500,000	0	0
Vermont Local Roads Program	200,000	200,000	298,000	283,000	283,000
Total Town Highways	34,502,836	36,346,397	36,187,146	36,115,751	36,894,889
FUNCTION TOTAL - TRANSPORTATION	122,622,687	129,851,484	143,884,537	157,486,635	154,392,377
OTHER BILLS:					
Pay Act	2,379,228	1,461,984	2,447,220	2,447,220	3,345,001
MV, Graduated Driver License, Ed Dept. (Act 140, H.97)	0	0	250,000	0	0
Taxation, Diesel Fuel Tax (Act 154, H.188)	0	0	160,000	0	0
DUI Act 117 of 1998	15,000	0	0	0	0
Downtown Comm. Development Act 120	425,000	0	0	0	0

**Transportation Fund Appropriations:
Five Year Detailed History**
(continued)

PROGRAM	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Capitol Construction	0	7,725,350	2,622,756	1,168,741	0
Act 144 (H.760) 1998 Sess. Cap. Const.	3,495,000	0	0	0	0
TOTAL - OTHER BILLS	6,314,228	9,187,334	5,479,976	3,615,961	3,345,001
GRAND TOTAL - TRANSPORTATION FUND	176,058,274	189,517,434	203,317,934	212,914,930	205,169,446

Fiscal Year 2003 Appropriations

(by object code, all funds, prior to budget adjustment; includes rescissions)

Appropriation	Personal Services	Operating Expenses	Grants	Other	Total
GENERAL GOVERNMENT					
Secretary Of Administration	686,040	58,603	0	0	744,643
Govnet	383,058	1,356,092	0	0	1,739,150
Finance & Management - Budget & Management	751,832	96,072	0	0	847,904
Financial Operations	1,280,477	958,582	0	0	2,239,059
Education & Functional Support	229,688	39,102	0	0	268,790
Personnel – Operations	2,068,869	566,810	0	0	2,635,679
Recruitment Services	384,553	217,528	0	0	602,081
Employee Benefits	1,336,550	354,497	0	0	1,691,047
Buildings & General Services – Administrative	998,711	164,439	0	0	1,163,150
Engineering	1,620,002	328,780	0	0	1,948,782
Property Management	773,378	3,145,884	0	0	3,919,262
Postal	510,979	342,729	0	0	853,708
Supply Center	241,252	232,618	0	0	473,870
Copy Center	697,657	840,052	0	0	1,537,709
Purchasing	775,375	272,359	0	0	1,047,734
Public Records	654,046	379,452	0	0	1,033,498
Communications & IT	2,560,881	3,604,266	0	0	6,165,147
State Surplus Property	49,272	56,884	0	0	106,156
Federal Surplus Property	53,755	106,878	0	0	160,633
Workers' Comp Insurance	862,592	288,743	0	0	1,151,335
General Liability Insurance	312,382	494,929	0	0	807,311
All Other Insurance	49,578	26,077	0	0	75,655
Information Centers	2,608,396	845,097	255,000	0	3,708,493
Fee for Space	5,635,591	8,545,828	0	0	14,181,419
Tax – Admin/Collection	8,853,761	2,346,705	0	0	11,200,466
Revenue & Returns Processing	967,801	314,285	0	0	1,282,086
Libraries	1,578,676	1,391,996	404,920	0	3,375,592
Special Services	186,703	25,813	0	0	212,516
Geographic Information Services	0	0	370,360	0	370,360
TOTAL - AGENCY OF ADMINISTRATION	37,111,855	27,401,100	1,030,280	0	65,543,235
Auditor Of Accounts	1,494,309	109,150	0	0	1,603,459
State Treasurer	2,166,246	316,520	0	0	2,482,766
Abandoned Property	70,373	95,183	0	0	165,556
State Retirement System	14,541,400	146,039	0	0	14,687,439
Municipal Employees' Retirement System	1,002,100	46,826	0	0	1,048,926
State Labor Relations Board	145,282	34,906	0	0	180,188
Executive – Governor's Office	1,023,259	296,097	51,978	0	1,371,334
National & Community Service	153,402	95,219	1,428,643	0	1,677,264
Governor Elect	20,000	10,000	0	0	30,000
VOSHA Review Board	29,184	8,846	0	0	38,030
Use Tax Reimbursement Fund	0	0	5,100,000	0	5,100,000
Lieutenant Governor	100,790	13,881	0	0	114,671
Legislature	2,506,115	2,136,950	0	0	4,643,065
Legislative Council	1,603,701	92,090	0	0	1,722,791
Sergeant At Arms	317,512	51,388	0	0	368,900
Joint Fiscal Office	842,642	66,184	0	0	908,826
Vermont Lottery Commission	1,121,862	667,556	0	0	1,789,418
PILOT	0	0	2,250,000	0	2,250,000
PILOT - Montpelier	0	0	184,000	0	184,000
PILOT - Corrections	0	0	40,000	0	40,000
TOTAL GENERAL GOVERNMENT	64,277,032	31,587,935	10,084,901	0	105,949,868

Fiscal Year 2003 Appropriations *(continued)*

Appropriation	Personal Services	Operating Expenses	Grants	Other	Total
PROTECTION TO PERSONS & PROPERTY					
Attorney General	4,324,999	837,831	0	0	5,162,830
Telemarketing Fraud	111,628	38,372	0	0	150,000
VT Court Diversion	0	0	1,104,555	0	1,104,555
Center For Crime Victim Services	763,250	200,559	4,265,767	0	5,229,576
Victim Compensation	0	0	575,000	0	575,000
State's Attorneys	6,746,326	973,464	0	0	7,719,790
Sheriffs	1,075,541	36,941	0	0	1,112,482
Transports	1,196,821	200,000	0	0	1,396,821
Defender General--Public Defense	4,747,860	506,962	0	0	5,254,822
Assigned Counsel	2,093,790	46,505	0	0	2,140,295
Ad Hoc Counsel	127,403	0	0	0	127,403
Military -- Administrative	381,132	320,406	158,000	0	859,538
Veterans' Affairs	130,991	21,265	125,850	0	278,106
Army Service Contract	2,269,299	8,183,223	0	0	10,452,522
Air Service Contract	3,176,327	904,423	0	0	4,080,750
Building Maintenance	829,020	443,932	0	0	1,272,952
Labor & Industry -- Admin.	4,923,184	1,320,000	70,000	0	6,313,184
Wage and Hour	106,058	33,000	0	0	139,058
Criminal Justice Training Council	699,132	700,121	0	0	1,399,253
Domestic Violence	13,478	3,488	0	0	16,966
Liquor Control -- Enforcement & Licensing	1,393,102	307,584	0	0	1,700,686
Administration	1,094,958	419,932	0	0	1,514,890
Warehousing & Distribution	555,248	327,575	0	0	882,823
Vermont Racing Commission	0	1	0	0	1
Secretary Of State	2,538,026	1,042,094	0	0	3,580,120
Corporations	304,380	100,000	0	0	404,380
Banking & Insurance -- Admin	708,586	48,752	0	0	757,338
Banking	1,022,981	280,050	0	0	1,303,031
Insurance	2,338,230	413,869	0	0	2,752,099
Securities	486,869	136,650	0	0	623,519
Captive	1,475,380	322,498	0	0	1,797,878
Health Care Administration	2,593,326	377,695	0	0	2,971,021
Insurance Agent Licensing	302,214	132,091	0	0	434,305
Public Safety - State Police	31,408,341	6,107,908	2,093,465	0	39,609,714
Criminal Justice Services	4,259,969	4,684,725	378,900	0	9,323,594
Emergency Management	1,022,640	1,149,945	1,249,247	0	3,421,832
Governor's Highway Safety Program	855,084	300,536	3,925,566	0	5,081,186
Agriculture -- Administration	603,147	256,093	750,334	0	1,609,574
Agriculture Development	599,557	234,805	225,842	0	1,060,204
Food Safety & Consumer Assurance	1,843,898	275,293	1,492	0	2,120,683
Plant Industry, Labs & Consumer Assurance	1,814,045	377,915	0	0	2,191,960
State Stipend Fund	0	0	163,500	0	163,500
Mosquito Control	0	0	90,000	0	90,000
Farm Conservation	35,775	8,000	0	0	43,775
Public Service -- Regulation & Energy	3,892,960	606,750	240,000	0	4,739,710
Purchase & Sale of Power	7,824	365	0	0	8,189
Consumer Affairs & Public Information	252,431	21,778	0	0	274,209
Enhanced 9-1-1 Board	1,955,669	254,309	0	0	2,209,978
Training	180,390	0	0	0	180,390
Public Service Board	2,163,063	321,384	0	0	2,484,447
Judiciary	21,364,325	4,975,084	0	0	26,339,409
Human Rights Commission	267,218	91,752	0	0	358,970
Vermont Radiological Emergency Response	400,000	91,752	0	0	358,970
VT Fire Service Training Council	247,466	231,543	20,000	0	499,009
Firefighter 1 Training	404,728	318,209	0	0	722,937
TOTAL -- PROTECTION	122,108,069	39,295,677	15,437,518	0	176,841,264

Fiscal Year 2003 Appropriations *(continued)*

Appropriation	Personal Services	Operating Expenses	Grants	Other	Total
HUMAN SERVICES					
Human Services - Central Office	3,033,529	1,244,018	7,820,478	0	12,098,025
Rate Setting	593,304	62,176	0	0	655,480
Human Services Board	232,382	19,092	0	0	251,474
Corrections – Admin.	1,817,690	322,087	3,503,263	0	5,643,040
Parole Board	214,159	65,555	0	0	279,714
Corrections Services	49,266,235	23,201,812	379,500	0	72,847,547
Correctional Facilities	391,579	304,450	0	0	696,029
Recreation	2,628,772	362,210	0	0	2,990,982
Correctional Education	1,195,154	741,900	0	0	1,937,054
VT Correctional Industries	94,177	37,011	271,905	0	403,093
Health - Administration & Support	2,798,148	923,333	0	0	3,721,481
Health Protection	2,772,755	650,861	121,700	0	3,545,316
Health Surveillance	5,219,698	1,795,124	2,520,800	0	9,535,622
Health Improvement	6,346,122	1,492,659	9,552,088	0	17,390,869
Community Public Health	9,584,877	1,522,480	12,418,236	0	23,525,593
Office Of Alcohol & Drug Abuse	2,146,451	480,942	11,899,918	0	14,527,311
Medical Practice Board	481,742	114,497	0	0	596,239
Practitioner Health Program	40,000	0	0	0	40,000
PATH – Admin.	25,635,466	4,818,407	976,737	0	31,430,610
Reach Up	0	0	43,538,736	0	43,538,736
Aabd	1,231,308	0	9,574,128	0	10,805,436
HATF	0	0	0	86,100,857	86,100,857
Medicaid	13,664,281	0	455,062,204	0	468,726,485
General Assistance	0	0	4,076,260	0	4,076,260
Food Stamp Cash Out	0	0	4,790,717	0	4,790,717
LIHEAP Fuel	20,000	90,000	8,352,075	0	8,462,075
Economic Opportunity Office	362,995	78,588	4,901,028	0	5,342,611
Weatherization Assistance	143,735	30,761	5,276,940	0	5,451,436
Office Of Child Support Services	6,552,285	3,223,872	0	0	9,776,157
S.R.S.-Administrative & Support	1,925,058	292,372	0	0	2,217,430
Disability Determination Services	2,767,702	457,329	0	0	3,225,031
Family Support Child Care	0	0	1,489,949	0	1,489,949
Social Services	15,200,197	2,605,799	47,422,236	0	65,228,232
Woodside Juvenile Rehab. Ctr	2,108,338	358,743	0	0	2,467,081
Child Care Services	1,711,859	389,063	27,516,222	0	29,617,144
Developmental & Mental Health	2,071,177	756,772	0	0	2,827,949
Services-Central Office	2,042,843	403,071	74,916,982	0	77,362,896
Community Mental Health	2,725,586	467,972	81,519,809	0	84,713,367
Developmental Services	9,317,809	1,281,146	143,000	0	10,741,955
Vermont State Hospital	0	0	931,188	0	931,188
Employment Services	0	0	0	0	0
Aging & Disabilities -	12,764,439	2,164,340	0	0	14,928,779
Administration & Support	0	0	5,095,515	0	5,095,515
Vocational Rehabilitation	0	0	1,416,285	0	1,416,285
Blind & Visually Impaired	0	0	17,794,820	0	17,794,820
Advocacy & Independent Living	0	0	2,251,760	0	2,251,760
TBI Home & Community Waiver	0	0	280,705	0	280,705
Childrens' Trust Fund	0	0	0	0	0
Governor's Commission on	179,680	55,706	0	0	235,386
Women	0	0	130,071	0	130,071
Retired Senior Volunteer Program	1,850	7,025	28,150	0	37,025
Disabled & Needy Veterans	9,278,671	2,959,941	0	0	12,238,612
Veterans' Home - Care & Support	0	0	24,447	0	24,447
Vermont Association For The Blind	0	0	0	0	0
TOTAL – HUMAN SERVICES	198,562,053	53,781,114	845,997,852	86,100,857	1,184,441,876

Fiscal Year 2003 Appropriations *(continued)*

Appropriation	Personal Services	Operating Expenses	Grants	Other	Total
EMPLOYMENT & TRAINING					
Employment and Training	17,285,217	6,511,137	3,414,511	0	27,210,865
Apprenticeship	374,686	126,149	135,280	0	636,115
TOTAL EMPLOYMENT & TRAINING	17,659,903	6,637,286	3,549,791	0	27,846,980
EDUCATION					
Finance & Administration	3,061,987	1,100,411	11,100,000	0	15,262,398
Standards & Assessment	2,940,603	684,937	1,205,096	0	4,830,636
Education Quality	6,152,125	2,158,264	92,297,298	0	100,607,687
Act 117 Cost Containment	1,091,325	28,791	65,000	0	1,185,116
Adult Basic Education	0	0	3,690,310	0	3,690,310
School Based Anti-Tobacco, Alcohol & Substance Abuse Programs					
Fund Appropriations & Transfers	0	0	245,705,935	0	245,705,935
Prebate Appropriation	0	0	0	0	0
Small School Grants	0	0	4,760,660	0	4,760,660
Special Education: Formula Grants	0	0	69,750,914	0	69,750,914
State-Placed Students	0	0	11,234,600	0	11,234,600
Capital Debt Service Aid	0	0	3,161,935	0	3,161,935
Transportation	0	0	12,727,961	0	12,727,961
Education Grants	0	0	601,200,000	0	601,200,000
Local Share Property Tax	0	0	42,200,000	0	42,200,000
Fiscal Review Panel	0	6,000	34,000	0	40,000
Tobacco Litigation	156,615	26,937	695,930	0	879,482
State Teachers' Retirement	10,037,726	169,674	20,446,282	0	30,653,682
Tax Dept - Reappraisal And Listing Payments	0	0	2,240,000	0	2,240,000
Property Tax Income Assistance	0	0	97,087,000	0	97,087,000
TOTAL GENERAL EDUCATION	23,440,381	4,175,014	1,219,602,921	0	1,247,218,316
HIGHER EDUCATION					
University Of Vermont	0	0	36,197,999	0	36,197,999
Morgan Horse Farm	0	0	4,912	0	4,912
Vermont Public Television	0	0	593,507	0	593,507
Vermont State Colleges	0	0	20,769,755	0	20,769,755
Practical Nursing Schools	0	0	592,206	0	592,206
Vermont Interactive TV	0	0	836,775	0	836,775
Vermont Student Assistance Corporation	0	0	16,356,671	0	13,356,671
New England Higher Education Compact	0	0	75,294	0	75,294
Education Commission of the States	0	100	0	0	100
TOTAL HIGHER EDUCATION	0	100	75,427,119	0	75,427,219
NATURAL RESOURCES					
Administration	2,316,386	1,612,536	35,000	0	3,963,922
Connecticut River Watershed Advisory Commission	0	0	40,500	0	40,500
Lake Champlain Citizens' Advisory Commission	6,015	3,985	0	0	10,000
State Land Local Property Tax Assessment	0	1,158,590	0	0	1,158,590
Information Technology	207,427	101,950	0	0	309,377

Fiscal Year 2003 Appropriations *(continued)*

Appropriation	Personal Services	Operating Expenses	Grants	Other	Total
Environmental Conservation – Commissioner's Office	773,570	190,419	0	0	963,989
Environmental Assistance	1,292,897	223,801	30,000	0	1,546,698
Air & Waste Management	5,072,452	1,446,107	561,500	0	7,080,059
Office Of Water Programs	5,046,739	1,001,647	912,000	0	6,960,386
Various Env. Special Funds	0	0	4,957,783	0	4,957,783
Surface Water	4,683,175	963,619	1,961,859	0	7,608,653
Fish & Wildlife - Support & Field Services	10,269,981	3,292,353	325,000	0	13,887,334
Watershed Improvement	0	0	70,000	0	70,000
Wildlife Management Area Maintenance	0	100,000	0	0	100,000
Conservation	0	700,000	0	0	700,000
Natural Communities & Habitat	10,226	184,074	0	0	194,300
Forests, Parks & Recreation–Admin.	649,002	466,205	1,662,000	0	2,777,207
Lands Administration	242,378	33,550	0	0	275,928
Forest Highway Maintenance	2,539	404,000	200,000	0	606,539
Property Survey	115,548	14,950	0	0	130,498
Forestry	4,227,435	585,539	275,000	0	5,087,974
Rural Community Fire Protection	7,000	12,000	0	0	19,000
Senior Community Service Employment	36,000	2,000	0	0	38,000
State Parks	4,029,943	2,194,600	35,000	0	6,259,543
Youth Conservation Corps	490,660	36,450	650,000	0	1,177,110
Snowmobile Trails Program	11,500	0	430,500	0	442,000
Act 250 Boards & District Comms.	1,929,149	316,897	0	0	2,246,046
Env. Board - Waste Facilities Panel	119,344	15,656	0	0	135,000
Water Resources Board	278,527	39,651	0	0	318,178
Green Up	0	0	8,550	0	8,550
TOTAL - NATURAL RESOURCES	41,817,893	15,100,579	12,154,692	0	69,073,164
DEVELOPMENT & COMMUNITY AFFAIRS					
DCA - Administration	1,006,593	504,027	238,088	0	1,748,708
Housing & Community Affairs	2,150,666	284,882	7,661,163	0	10,096,711
Historic Sites Operations	555,237	1,076,130	0	0	1,631,367
Community Development Block Grants (FY 02)	0	0	8,563,070	0	8,563,070
Economic Development	968,395	372,894	1,526,291	0	2,867,580
VT Training Program	72,591	11,658	665,135	0	749,384
Job Development Zones	0	0	50,967	0	50,967
Government Marketing Assistance Center	215,635	43,363	0	0	258,998
Tourism And Marketing	2,232,530	1,036,695	1,438,832	0	4,708,057
Marketing and Promotional Team	339,605	8,800	0	0	348,405
Vermont Life	625,000	200,000	0	0	825,000
Vermont Council On The Arts	0	0	517,206	0	517,206
Vermont Symphony Orchestra	0	0	107,326	0	107,326
Vermont Historical Society	0	0	405,830	0	405,830
VT Housing & Conservation Trust Fund	0	0	27,334,895	0	27,334,895
VT Council On The Humanities	0	0	137,473	0	137,473
TOTAL – DEVELOPMENT & COMMUNITY AFFAIRS	8,166,252	3,538,449	48,646,276	0	60,350,977

Fiscal Year 2003 Appropriations *(continued)*

Appropriation	Personal Services	Operating Expenses	Grants	Other	Total
TRANSPORTATION					
Finance & Administration	8,009,248	1,143,500	300,000	0	9,452,748
Transportation and Arbitration Boards	60,434	14,328	0	0	74,762
Maintenance State System	26,845,972	20,080,918	0	0	46,926,890
Aviation Program	1,478,213	6,151,787	35,000	0	7,665,000
Project Development	30,555,867	69,997,122	17,443,378	0	117,996,367
Rail Program	2,638,321	16,058,673	0	0	18,696,994
Technical Services	5,394,368	1,352,455	0	0	6,746,823
Traffic Operations	1,642,548	1,325,104	0	0	2,967,652
VT Transportation Authority	116,697	977,400	1,512,200	0	2,606,297
Rest Areas - Construction	826,000	7,285,699	0	0	8,111,699
Policy And Planning	2,378,535	1,069,555	14,912,572	0	18,360,662
Central Garage Revolving Fund	2,705,742	8,986,806	0	0	11,692,548
Buildings	135,000	1,430,000	0	0	1,565,000
Town Highway Grants	0	0	23,857,744	0	23,857,744
Town Highway Structures	0	0	3,494,500	0	3,494,500
Town Highway - Emergency Fund	0	0	182,111	0	182,111
Town Highway - Class 1 Supp.	0	0	128,750	0	128,750
Town Highway Bridges	4,003,430	17,620,015	1,625,000	0	23,248,445
Town Highway - Class 2	0	0	4,248,750	0	4,248,750
Vermont Local Roads Program	0	0	423,000	0	423,000
Motor Vehicles Department	11,871,818	4,929,900	100,000	0	16,901,718
Motorcycle Rider Training	140,834	80,000	0	0	220,834
TOTAL - TRANSPORTATION	98,803,027	158,503,262	68,263,005	0	325,569,294
DEBT SERVICE					
Debt Service - General	0	0	0	72,653,346	72,653,346
TOTAL DEBT SERVICE	0	0	0	72,653,346	72,653,346
MISCELLANEOUS					
Rutland Multi-Modal Transportation Center - Operations	0	0	0	240,000	240,000
TOTAL MISCELLANEOUS	0	0	0	240,000	240,000
GRAND TOTAL - ALL FUNCTIONS	574,834,610	312,619,416	2,299,164,075	158,994,203	3,345,612,304

Fiscal Year 2003 Appropriations *(continued)*

Appropriation	Personal Services	Operating Expenses	Grants	Other	Total
OTHER BILLS					
Pay Act	9,498,571	0	0	0	9,498,581
Firefighters; Survivors' Benefits	0	0	0	60,000	60,000
Combatting Drug Crimes	0	0	40,000	0	40,000
Judiciary, Law Clerk	59,000	0	0	0	59,000
TOTAL - OTHER BILLS	9,557,571	0	40,000	60,000	9,657,571
GRAND TOTAL	584,392,181	312,619,416	2,299,204,075	159,054,203	3,355,269,875

Useful Internet Sites

Bureau of Economic Analysis..... www.bea.doc.gov/beahome.html
Bureau of Labor Statistics..... <http://stats.bls.gov>
Federal Reserve Bank of Boston..... <http://www.std.com/frbbos>
Federation of Tax Administrators..... http://sso.org/fta/tax_stru.html
IRS..... www.irs.ustreas.gov/prod/cover.html
National Conference of State Legislatures..... <http://www.ncsl.org>
Social Security Administration..... <http://www.ssa.gov>
State & Federal Government Pages... <http://www.state.vt.us/govs.htm>
State of Vermont..... <http://www.vermont.gov>
TaxWeb..... <http://www.taxweb.com>
Transportation Research Board..... www.nas.edu/trb/index.html
U.S. Legislative Information..... <http://thomas.loc.gov>
United States Census Bureau..... <http://www.census.gov>
U.S. House of Representatives
<http://www.house.gov>
U.S. Government Printing Office... <http://www.access.gpo.gov>
U.S. Senate
<http://www.senate.gov>
Vermont Department of Taxes..... <http://www.state.vt.us/tax>
Joint Fiscal Office..... <http://www.leg.state.vt.us/jfo>
Vermont State Legislature
... <http://www.leg.state.vt.us>

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