

## FY 2014 – Budget Accomplishments

With the end of the legislative session, the Legislature has adopted a budget that closes a \$67 million budget gap and provides investments to grow prosperity for all Vermonters with no new taxes:

### Education:

- \$2.5 million for the University of Vermont, the Vermont State Colleges and VSAC to be used entirely for financial aid to Vermont students to help make higher education affordable.
- \$400,000 to help with the start-up costs of first-year publicly financed pre-school, reallocated from the Agency of Education.
- \$400,000 to double the support for dual enrollment students who want to start college even as they finish high school, reallocated from Next Generation funds.
- Additional general funds to provide free school lunch for all low income students (estimated cost revised downward from \$398,646 to \$322,250, but no change to proposal).
- \$9.5 million increase in sales and use tax revenue for the Education Fund and fully-funding the statutory General Fund transfer.

### Health Care:

- Lessening the Medicaid cost shift via a 3% rate increase (vs. FY 2012 actual expenditures), in Medicaid reimbursement rates for many Medicaid providers. The revised value of the proposal is \$21.6 million (gross matched dollars; \$9.4M GF).
- Providing premium subsidies (\$6.6M gross; \$2.9M GF) and cost-sharing assistance (\$1.5M GF only) for low-income Vermonters who enter the Exchange.
- Providing \$960,000 (gross; GF \$643,937) to provide hands-on assistance for Vermont families signing up for affordable health care through the Exchange, via Health Care Navigators and In-Person Assistors.

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### Human Services:

- Changing the way Vermont delivers welfare benefits to help Vermonters enter the workforce and to make prosperity achievable for families living in poverty.
- Adopted the Governor's recommendation for \$6 million for the first-ever base state budget contribution to LIHEAP to keep low-income Vermonters warm in the winter, made necessary by year-after-year of inadequate federal funding for the program.
- Additional \$400,000 gross (\$350,000 GF) for the prevention of West Nile Virus and Eastern Equine Encephalitis (EEE) through mosquito control.

## Transportation:

- The Administration worked together with the Legislature to forge a bipartisan compromise revenue package that will help sustain our transportation fund in the face of decreasing gallons of gasoline sold. This new revenue, \$20.4M in FY 2014, will enable us to avert the risk of turning back as much as \$56M of federal funds in the upcoming fiscal year, and much more in the future. The bill includes:
  - a \$108 million paving program and \$133 million for the repair of bridges on the interstate, state and town highway system, providing critical links between communities and supporting local economies.
  - Repair work addressing approximately 120 miles of interstate and 215 miles of state highway through traditional resurfacing, district leveling and preventive maintenance.
  - major construction on 67 bridges and culverts, and preventive maintenance work on dozens more structures.
  - level funding for the Town Highway Aid program at \$26 million, sustaining the FY 2013 increase of \$1 million (4 percent), which had not been increased since FY 2005.
  - \$11M to accelerate the rehabilitation of the western corridor rail line, to bring passenger service back to Burlington via Rutland, and funding for car and vanpooling, to rebuild the intercity bus network, and for bicycle and pedestrian infrastructure.

## Other Investments:

- Full funding for State Employee and State Teachers' Retirement contributions at the actuarially recommended levels.
- \$173.2 million for the Capital Budget, including funding for the Vermont State Hospital replacement plan and the rehabilitation of the Waterbury State Office Complex.
- \$1.425 million directed toward our Working Lands to improve programs that are fueling Vermont's agriculture renaissance, such as Farm-to-Plate.
- Increased funding for the Vermont Arts Council, the first sizable expansion in over 20 years, acknowledging the importance of the arts to Vermont's economy. Funding for the Vermont Symphony and the Humanities Council also received significant increases.
- Funding to maintain the three Budget Stabilization Reserves (GF, TF, and EF) at the at their full statutory levels.