

An act relating to fiscal year 2019 budget adjustments

Sec. 1 2018 Acts and Resolves No. 11 (Special Session), Sec. D.101 is amended to read:

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(a) Notwithstanding any other provision of law, the following amounts are transferred from the funds indicated:

(1) From the General Fund to the Next Generation Initiative Fund established by 16 V.S.A. § 2887: ~~\$3,055,900~~ \$3,453,807.

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(b) Notwithstanding any provision of law to the contrary, in fiscal year 2019:

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(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred from the following funds to the General Fund in fiscal year 2019. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July meeting the final amounts transferred from each fund and certify that such transfers will not impair the agency, office or department reliant upon each fund from meeting its statutory requirements.

21638	AG-Fees & Reimbursements-Court Order	2,000,000.00
21928	Secretary of State Services Fund	2,607,923.00
<del>62100</del>	<del>Unclaimed Property Fund</del>	<del>3,415,143.00</del>
<u>62100</u>	<u>Unclaimed Property Fund</u>	<u>2,978,680.00</u>

(3) In fiscal year 2019 notwithstanding 2016 Acts and Resolves No. 172, Sec. E.228, ~~\$30,014,057~~ \$30,657,910 of the unencumbered balances in the Insurance Regulatory and Supervision Fund (Fund Number 21075), the Captive Insurance Regulatory and Supervision Fund (Fund Number 21085), and the Securities Regulatory and Supervision Fund (Fund Number 21080) shall be transferred to the General Fund.

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(c) Notwithstanding any provisions of law to the contrary, in fiscal year 2019:

(1) The following amounts shall revert to the General Fund from the accounts indicated:

EXPLANATION: FY 2019 updated estimated direct applications, transfers and reversions to/(from) the General Fund and the Education Fund.

Sec. 2. 2018 Acts and Resolves No. 11 (Special Session), Sec. B.1100 is amended to read:

(a) In fiscal year 2019, ~~\$3,055,900~~ \$3,453,807 is appropriated or transferred from the Next Generation Initiative Fund created in 16 V.S.A. § 2887 as prescribed:

\* \* \*

(3) Scholarships and grants. The amount of ~~\$1,420,500~~ \$1,818,407 as follows:

\* \* \*

C) Dual enrollment programs and need-based stipend. The amount of ~~\$740,000~~ \$1,137,907 is appropriated to the Agency of Education for dual enrollment and \$36,000 is appropriated to the Agency of Education to be transferred to the Vermont Student Assistance Corporation for need based stipends pursuant to Sec. E.605.1 of this act.

EXPLANATION: Necessary adjustment to Next Gen. transfers to comport with the additional funding necessary for fiscal year 2019 Dual Enrollment programs.

Sec. 3. GENERAL FUND TRANSFER TO THE 27/53 RESERVE

(a) Transfer: The amount of \$1,880,000 in General Funds shall be transferred and reserved in the 27/53 reserve in fiscal year 2019. This action is the fiscal year 2020 contribution to the 27th payroll reserve as required by 32 V.S.A. Sec. 308e.

EXPLANATION: Fiscal year 2019 General Fund contribution to the 27/53 reserve to satisfy the fiscal year 2020 reserve requirement to the 27<sup>th</sup> payroll.

Sex. XX. 2017 Acts and Resolves No. 85, Sec.C.100 is amended to read:

(e) In fiscal year 2017, the sum of \$1,250,000 in general funds is appropriated to the Department of Public Safety to purchase police cruiser and body cameras, including equipment, maintenance, and warranty costs. The first priority for the use of these funds shall be for the State match in fiscal years 2018 and 2019 for federal

Sec. 6. CONTINGENCY FUNDING FOR THE ACO CLAIMS TAIL

(a) In the event that costs are incurred during fiscal year 2019 specifically attributable to the Medicaid claims tail for beneficiaries within the Accountable Care Organization, and that exceed available statewide Global Commitment appropriations, commensurate funds may be used from the AHS Non-budgeted Revenue account.

Sec. 7a. TRANSITION OF STATE HEALTH CARE RESOURCES FUND REVENUES TO THE GENERAL FUND

(a) The Department of Finance and Management shall report the total statewide revenues received from each of the following revenue sources both historically and prospectively and compare those amounts to the total amount of State fund sources appropriated in Sec. B.301, as amended by the Budget Adjustment Act for fiscal year 2019:

(1) all revenue from cigarette and tobacco products taxes levied pursuant to 32 V.S.A. chapter 205;

(2) all revenue from health care provider assessments pursuant to 33 V.S.A. chapter 19, subchapter 2;

(3) all revenue from the employer health care premium contribution pursuant to 21 V.S.A. chapter 25; and

(4) all revenue from health care claims assessments pursuant to 32 V.S.A. § 10402.

(b) The State agency or department to which the revenue is remitted shall maintain the same level of accounting detail for each of the revenue sources listed in subdivisions (a)(1)–(4) of this section as was maintained prior to July 1, 2019.

Sec. 7b. 33 V.S.A. § 1901d. is amended to read:

(a) The State Health Care Resources Fund is established in the State Treasury as a special fund to be a source of financing for health care coverage for beneficiaries of the State health care

Sec. 7c. 2 V.S.A. § 693(b) is amended to read:

\* \* \*

(2) If applicable, the Secretary shall submit an electronic report to the Joint Fiscal Office for distribution to members of the Committee that summarizes any plans or actions taken by the Executive Branch to delay health care reform project schedules as a result of:

\* \* \*

(B) ~~ehanges in the consensus revenue forecast of the Health Care Resources Fund;~~

[Repealed.]

\* \* \*

Sec. 7d. 32 V.S.A. § 305a is amended to read:

§ 305a. OFFICIAL STATE REVENUE ESTIMATE

\* \* \*

(c)(1)(A) The January estimates shall include estimated caseloads and estimated per-member per-month expenditures for the current and next succeeding fiscal years for each Medicaid enrollment group as defined by the Agency and the Joint Fiscal Office for State Health Care Assistance Programs or premium assistance programs supported by the ~~State Health Care Resources and Global Commitment Funds, Fund~~ and for the programs under any Medicaid Section 1115 waiver.

\* \* \*

Sec. 7e. 32 V.S.A. § 7823 is amended to read:

The revenue generated by the taxes imposed under this chapter shall be credited to the ~~State Health Care Resources Fund established by 33 V.S.A. § 1901d~~ GENERAL FUND.

(c) The annual cost to obtain Vermont Healthcare Claims Uniform Reporting and Evaluation System (VHCURES) data, pursuant to 18 V.S.A. § 9410, for use by the Department of Taxes shall be paid from the Vermont Health IT-Fund and the ~~State Health Care Resources Fund~~ GENERAL FUND.

Sec. 7i] 32 V.S.A. § 10503 is amended to read:

§ 10503. HEALTH CARE FUND CONTRIBUTION ASSESSMENT

\* \* \*

(b) The amount of the contribution shall be \$158.77 for each full-time equivalent employee in excess of four. Starting in calendar year 2018, the amount of the contribution shall be adjusted by a percentage equal to any percentage change in premiums for the second lowest-cost silver-level plan in or outside the Vermont Health Benefit Exchange.

\* \* \*

(d) Revenues from the Health Care Fund contributions collected shall be deposited into the ~~State Health Care Resources Fund established under 33 V.S.A. § 1901d~~ General Fund.

\* \* \*

Sec. 7j] 33 V.S.A. § 1951 is amended to read:

§ 1951. DEFINITIONS

As used in this subchapter:

\* \* \*

(4) ~~“Fund” means the State Health Care Resources Fund consisting in part of assessments from health care providers under this subchapter. [Repealed.]~~

\* \* \*

Sec. 7k] 33 V.S.A. § 1956 is amended to read:

§ 1956. PROCEEDS FROM ASSESSMENTS

appropriation, for the specific purpose of addressing the overall cost of highway maintenance during fiscal year 2019.

(b)(1) If a contemplated transfer of an appropriation would not significantly delay the planned work schedule of a project, the Secretary may execute the transfer and shall give prompt notice thereof to the Joint Fiscal Office and to the House and Senate Committees on Transportation when the General Assembly is in session and, when the General Assembly is not in session, to the Joint Fiscal Office and the Joint Transportation Oversight Committee.

(2) If a contemplated transfer of an appropriation would, by itself, significantly delay the planned work schedule of a project, the Secretary:

(A) when the General Assembly is in session, may execute the transfer, but shall give the House and Senate Committees on Transportation advance notice of at least 10 business days prior to executing the transfer; or

(B) when the General Assembly is not in session, may execute the transfer, but shall give prompt notice of the transfer to the Joint Fiscal Office and the Joint Transportation Oversight Committee.

(c) This section shall be repealed on July 1, 2019.

EXPLANATION: Provides authority to transfer Transportation Funds from other Agency of Transportation appropriations to the Maintenance appropriation to provide higher service levels.

Sec. 10. 2018 Acts and Resolves No. 201, Section 20 is amended to read:

To the extent † The sum of \$200,000.00 is appropriated in fiscal year 2019 from the General Fund Tobacco Litigation Settlement Fund to the Department for Children and Families pursuant to 2018 Act and Resolves No. 11 (Special Session), Sec.C.105.1(a)(10).- Accordingly, the Department shall prepare for the expansion of services to juvenile offenders 18 and 19 years of age pursuant to 33 V.S.A. chapters 52 and 52A beginning in fiscal year 2021, and shall carry forward any unexpended funds.

EXPLANATION: Accomplishes the technical adjustment to Act 201 required by the July 16, 2018 Statement of Legislative Intent regarding the appropriation of Tobacco Litigation Settlement funds for this purpose via Act 11.

(a) The Agency of Education shall adjust the long-term membership of a school district under 16 V.S.A. § 4010, which is used in determining the district's equalized pupil count, for a school district that:

(1) in school year 2017-2018 erroneously paid public dollars to a prekindergarten program that was ineligible under 16 V.S.A. § 829 to receive public funds and as a result overreported its average daily membership prekindergarten count for that year to the Agency of Education; and

(2) corrected for this overreporting by correspondingly decreasing its 2017-2018 school year average daily membership prekindergarten count in a subsequent report to the Agency of Education.

(b) The Agency of Education shall adjust the long-term membership of a school district that qualifies under subsection (a) of this section by increasing its average daily membership prekindergarten count for the 2017-2018 school year by the amount it overreported for the 2017-2018 school year.

**EXPLANATION:** This proposed language would allow districts who erroneously paid PreK funds to a program that was not prequalified to nevertheless count those students in their average daily membership. It is necessary to hold these districts harmless as they had no reason to know that a PreK partner program was not prequalified and therefore acted in good faith.

**Sec. 14.** 16 V.S.A. § 2857 is amended to read:

§ 2857. VERMONT NATIONAL GUARD TUITION BENEFIT PROGRAM

\* \* \*

(c) Eligibility. To be eligible for the Program, an individual, whether a resident or nonresident, shall satisfy all of the following requirements:

\* \* \*

(6) have ~~exhausted any~~ used available post-September 11, 2001 tuition benefits and other federally funded military tuition assistance; provided, however, that this subdivision shall not apply to:

(A) tuition benefits and other federally funded military tuition assistance for which the individual has not yet earned the full amount of the benefit or tuition;

(B) Montgomery GI Bill benefits;

(C) post-September 11, 2001 educational program housing allowances;