

2022 End of Session Report

Reps. Karen Dolan and Lori Houghton

City of Essex Junction: Chittenden 22



The 2021–2022 biennium is adjourned! We began our work remotely, legislating via Zoom at the height of the pandemic, and returned to the statehouse in January of this year. Through it all, every committee meeting and floor debate has been available to the public — livestreamed and posted on the General Assembly website. In this report, you’ll find highlights of our busy 2022 session. It’s an honor to serve as your state representatives. Please stay in touch.



A Balanced and Transformative State Budget

The FY2023 state budget ([H.740](#)) totals \$8.3 billion, a 5 percent increase over the current fiscal year. The budget honors the commitment the legislature made at the beginning of the pandemic: to support Vermonters, their families, and their communities across all 14 counties, and to leave no one behind in a strong statewide recovery.

That commitment includes investing \$453.7 million in federal COVID relief in five broad areas: Economy, Workforce, and Communities; Housing; Broadband Connectivity; Climate Action; and Clean Water. Those investments, added to FY2022 investments, complete the allocations of the \$1.2 billion received through the federal American Rescue Plan Act.

The budget includes a long-overdue rate increase of 8 percent to community mental health providers, designated agencies, specialized service agencies, and home health care providers. And it provides millions to support substance abuse disorder prevention and recovery.

We’re investing \$96 million in broadband projects and \$137.8 million in community, workforce and economic development. The University of Vermont base budget is increased by \$10 million, the first increase in 14 years. The Vermont State College System also has a base increase of \$10 million, plus \$14.9 million to serve as a “bridge” in their ongoing transition to fiscal and operational stability. Childcare coverage is expanded by \$4.9 million for working families within the Child Care Financial Assistance Program.

This year’s investments in housing programs, including the “missing middle” and manufactured housing, tally \$90 million. Transformational climate and water initiatives include \$80 million for weatherization and \$45 million for municipal energy resilience grants. There is also \$8 million for advanced metering infrastructure and over \$60 million for more electrification initiatives.

As always, it is a balanced budget.

To see all budget documents, go to:
<https://lifo.vermont.gov/subjects/appropriations-and-budget/fy-2023>

Workforce and Economic Development

[S.11](#) is a significant workforce and economic development bill that addresses the negative economic impacts of COVID-19 on employers, workers and families and creates opportunities to grow Vermont’s economy for the future.

S.11 helps Vermonters. It provides for economic development programs to support businesses and municipalities, sick leave related to COVID-19, tax credits, and assists specific sectors, including the creative economy.

In total, \$113.5 million is appropriated using ARPA, General and Education Funds to achieve these goals. Highlights include:

- Forgivable loans for businesses (\$19 million)
- Support for creative economy (\$9 million)
- Nursing and healthcare (\$12.5 million)
- Support for trades (\$4.5 million)
- COVID paid family leave (\$15.18 million)
- Unemployment insurance (\$8 million)
- Encourage new Vermonters (\$5.93 million)
- Community recovery and revitalization grant program (\$10 million)
- Downtown and village tax credit (\$2.45 million)
- Continuation of Everyone Eats (\$1.3 million)

Supporting Career and Technical Education

Vermont has suffered a shortage of workers with trade and technical certifications. In response to this need, the legislature has prioritized support for Vermont’s Career and Technical Education centers (CTEs).

For the building trades, a \$15 million fund was created in [S.11](#) to allow CTEs to purchase and rehabilitate blighted properties as part of students’ learning experience. Scholarships have been funded for adult CTE students, as well as high school students, who wish to take CTE classes outside of school hours (similar to the “dual enrollment” that allows high schoolers to take college courses). Finally, the legislature has recognized that the current system of funding CTEs can leave these programs under-prioritized and under-funded. A study was created in [S.287](#) that aims to ensure that Vermont’s CTE programs are well-resourced and governed into the future.



Our statehouse in spring (iStock | Ralweis)

Investing in Climate Action

The FY2023 budget of \$8.3 billion includes \$566.7 million from the federal American Rescue Plan Act. Of that amount, \$129.8 million is allocated for weatherization and other climate change mitigation investments. These allocations are informed by the knowledge that, in Vermont, transportation and thermal (building heating) are the sectors that pose the greatest challenges in reducing greenhouse emissions.

- \$45 million to the Home Weatherization Assistance Program to aid lower-income households
- \$35 million to the Electric Efficiency Fund for weatherization incentives to Vermonters of moderate income
- \$2 million to support continued build-out of electric vehicle charging infrastructure along highway networks
- \$20 million to provide low- and moderate-income households with financial and technical assistance to upgrade home electrical systems to enable installation of energy saving technologies, plus \$5 million to install, at low or no cost, heat-pump water heaters
- \$2 million to help low- and moderate-income households to purchase electric equipment for heating, cooling and vehicle charging, plus support for municipal back-up electricity storage installations
- \$15 million to improve landscape resilience and mitigate flood hazards
- \$4.8 million to provide farms with assistance in implementing soil-based practices which improve soil quality and nutrient retention, increase crop production, minimize erosion potential, and reduce waste discharges
- \$1 million for the Urban and Community Forestry Program to plant up to 5,000 trees to improve air quality and reduce heat island effects

Additionally, the FY2023 budget includes climate investments from both General Funds and Transportation Funds: \$32.2 million and \$600,000 respectively. These allocations support electric vehicle charging infrastructure, electrification incentives, and investments in public transportation.

Expanding Safe and Affordable Housing

Given Vermont's critical housing needs, bolstering our housing stock is a top priority. Through federal COVID relief funds, over \$42 million was earmarked this year in [S.210](#) and [S.226](#) to help Vermont renters and homeowners. With this funding, we were able to:

- Dedicate \$20 million toward forgivable loans to property owners to bring rental properties not up to code back online, plus incentivize the construction of new Accessory Dwelling Units to expand Vermont's rental housing stock.
- Direct \$22 million to subsidize new construction to lower costs for middle-income homebuyers, plus \$1 million to the Vermont Housing Finance Agency (VHFA) for down payment grants for first-generation homebuyers. Repair and improvement grants will also be available for manufactured homes.
- Reform zoning laws, expand tax credits, and create pilot projects to encourage denser development and more vibrant town centers.
- Create an Advisory Land Access Board, composed of representatives of groups that have faced historic discrimination in land and home ownership. The new board will work with the Vermont Housing and Conservation Board and its partners to reduce current disparities as a result of that discrimination.

Overall, these investments — which, when combined with mid-year budget adjustments dedicated to emergency shelter and low-income housing, total over \$90 million — send a clear message to Vermonters that we're doing everything we can, and teaming up with whomever we can, to provide more safe, healthy and affordable housing as soon as we can.

Free Universal Breakfast and Lunch for the 2022–2023 School Year

Vermont made huge strides in combating food insecurity during the pandemic. With federal support, public schools provided free breakfast and lunch for all students during the last two school years. But this federal funding ends in June. To maintain this critical program, the legislature passed [S.100](#), a bill to continue universal school meals through the 2022–2023 school year with \$29 million from the Education Fund surplus.

S.100 reduces hunger and erases stigma in our schools by ensuring that breakfast and lunch is available to all students. Under the old pre-pandemic program, not all food-insecure students qualified for free or reduced-price school lunch: the income limit was set very low, at \$32,227 for a single parent with one child. During the upcoming school year, we'll collect solid data around the cost of universal school meals and study the potential long-term funding opportunities for this program.

Thank you to the Essex High School students and staff who provided critical testimony, and all the families who advocated for S.100.

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