Deep Investments to Ensure COVID Recovery

In the Spring of 2020, Vermont received $1.25 billion in federal CARES relief. These dollars provided relief for Vermonters in desperate need, their families, their communities, and their local businesses in all 14 counties. These dollars were also key to stabilizing critical systems in the areas of health care, human services and child care.

Spring 2021 has brought Vermont $1.052 billion in federal American Rescue Plan Act (ARPA) funds, and once again the legislature is focused on leaving no one behind. To the extent allowed by federal regulation, Vermont’s use of ARPA dollars is defined by a laser focus on the well-being, present future, of Vermont’s human infrastructure. This investment is apparent in the amounts of ARPA funding allocated in the FY22 state budget, a total of $599.2 million. Included, for instance, are:

- $109.2 million targeted to Economy, Workforce and Communities
- $99 million is targeted to Housing
- $51 million to Rental Assistance
- $150 million for Broadband Investments
- $52 million for Technology Modernization
- $50 million for Climate Action
- $115 million for Clean Water Investments

ARPA dollars not “spoken for” are available for use as we have a better sense of ongoing or unanticipated needs. This flexibility is permitted by ARPA, as we have through FY2025 to use these funds.

Racism as a Public Health Emergency

The COVID-19 pandemic has magnified the severe inequities in our public health systems. For example, while black residents comprise only 1 percent of Vermont’s population, they accounted for almost 5 percent of the state’s COVID-19 cases in 2020. Highlighting a strong body of evidence, J.R.H.6 acknowledges systemic racism as a direct cause of the adverse health outcomes experienced by BIPOC communities in Vermont. It also commits our state to the “sustained and deep work of eradicating systemic racism throughout the State, actively fighting racist practices, and participating in the creation of more just and equitable systems.”

J.R.H.6 was drafted through the collaboration of impacted communities and gained the broad support of the legislature and the Vermont Department of Health. As with so much of our work, J.R.H.6 is just one important step in an ongoing effort to create equitable systems that promote justice, dignity and health for all Vermonters.

Getting $ to Working Families

We took full advantage of federal tax changes this year. We were able to provide tax relief to working families through an expansion of the Earned Income Tax Credit (EITC) and the Child and Dependent Care Credit. For EITC, we expanded the age range up and down - from 25 to 19 years and removed the 65-year-old cap to qualify - and increased the credit amount for single-filers. EITC is considered one of the nation’s most successful anti-poverty programs, providing a refundable tax credit to low-income, working households. We also paired with federal changes to increase the child and dependent care benefit that helps families making up to $120,000 per year, so that parents and caregivers can stay at work. By linking to the federal changes in both the Earned Income Tax and Child and Dependent Care Credits, we’re significantly expanding a benefit that helps low-income individuals and families who are disproportionately headed by women or people of color.

Please take a look at this link provided by the Vermont Department of Finance and Management. It is a remarkable source of information about a remarkable amount of money.
Increasing Access for Voters
Universal Vote-By-Mail was a great success during the 2020 General Election, contributing to record turnout even during a pandemic - a 74 percent participation rate! It expanded voter access and encouraged increased participation in our democratic process. Vermonters asked legislators to build on that success, and we listened. S.15 continues the Vote-By-Mail program, adds in other important election measures, and counters the prevailing trend across the U.S. where state legislatures are curtailing voter access with more restrictive election laws. Effective this coming General Election in November, new features will include: ballots with postage-paid return envelopes mailed to all active registered voters; voters may cure defective ballots if, for example, they forgot to sign the certificate envelope; access to secure ballot drop boxes that are accessible 24/7 for voters to return their ballots; and a limit on the number of ballots someone can deliver on behalf of others.

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Preserving Public Pensions System for State Employees & Teachers
The Legislature focused this session on putting the State of Vermont’s public pension system on a path towards long-term sustainability, so that teachers, troopers, and all state employees can rely on a well-funded, solvent system when they retire. The goal is to set a process in motion that preserves the defined benefit model, because when properly designed and managed, this is the most affordable way to provide secure income in retirement. Legislators are balancing multiple commitments - one made to state employees and teachers - and another to Vermont taxpayers - who now face a $5.6 billion unfunded liability that will continue to grow exponentially without action.

H.449 slowed down the process to engage more stakeholder voices. The legislation focused on governance changes that will amend the Vermont Pension Investment Commission (VPIC) to include more independent, financial expertise. It also established the Pension Benefits, Design & Funding Task Force to meet this summer with a “report-back” to the legislature for putting the retirement systems on a sustainable path. Through negotiations between the House and Senate, the task force was reconfigured to equalize the state (employer) and union (employee) representatives at the table.

The Legislature has reserved $150 million of General Fund dollars (freed up by ARPA dollars), along with the annual ADEC payment of $316 million for a total investment this year of $466 million, a massive commitment for the legislature in a single year. Resolving this pension crisis in the short-term with robust participation from all stakeholders is the fair and responsible thing to do for all concerned.

Big Book of Ag Launches
Eighteen months in the making with input from more than 1,500 Vermonters, the “Vermont Agriculture and Food System Strategic Plan 2021-2030” debuted this session. A collaboration between the Vermont Sustainable Jobs Fund and the Vermont Agency of Agriculture, Food & Markets, the “Big Book,” is made up of 54 product, market and issue briefs. This go-to resource will be the dog-eared agriculture bible for policymakers and stakeholders, not to mention a good read for select boards and planning commissions, and a must-have for town libraries. Let’s just say you want to know what the bottlenecks in hop production are. It’s there. Or you want to dig into Vermont food opportunities in metropolitan markets. It’s there. Or you want to find out more about the challenges facing the BIPOC community in agriculture. There’s a brief on “Racial Equity in the Vermont Food System”. It’s all there. Available online: vtfarmtoplate.com/plan/.

Strengthening Mental Health Care
Mental health, an essential part of health care, needs strengthening. Too many of our friends and neighbors have been struggling with increased stress, anxiety and isolation – plus increased serious mental health issues as a result of the pandemic. Vermont’s mental health system, critical to the support of children and families, has also been struggling. Adults and children have been on waiting lists throughout the state, and even children are waiting in hospital emergency departments for essential, inpatient mental health care. Important, concrete steps are being taken to address this demand and strengthen our community-based mental health system. Reducing and ultimately eliminating wait times in emergency departments has been the focus of actions with the legislature, the Department of Mental Health and Vermont’s hospital system. Increased federal funding for community residences, mobile emergency response teams, and support for mental health and substance use disorder workforce will also strengthen this vital community system.

Local Mental Health Resource:
PATHWAYS SUPPORT LINE
The Support Line is open 24/7 to provide confidential, nonjudgmental support and connection to all Vermonters.

Anyone can call (833) VT-TALKS or to text, dial (833) 888-2557