

References in order as they appear in the letter

1. Human Services Spending FY09 vs. FY10 Proposal
2. New York Times Articles dated May 9 and May 10, 2009
3. Forbes Article dated March 30, 2009
4. JFO 5 Year Outlook (circles added by Finance & Management)
5. JFO Education Fund Outlook (circles added by Finance & Management)
6. Impact of Legislative Tax Proposal on Small Business
7. Vermont Housing and Conservation Board FY10 Appropriation from H.441
8. Unemployment Trust Fund Projection

Total Human services- Fiscal Year 2010

	Gov. Rec.	House Change	House	Senate Change	Senate	COC Change	COC
Personal services	333,778,787	1,182,073	334,960,860	-1,589,223	333,371,637	1,325,462	334,697,099
Operating expenses	83,770,074	380,000	84,150,074	-32,850	84,117,224	500,000	84,617,224
Grants (Revenue)	0	0	0	0	0	0	0
Grants	2,370,339,208	83,861,299	2,454,200,507	9,047,481	2,463,247,988	-38,986,203	2,424,261,785
	2,787,888,069	85,423,372	2,873,311,441	7,425,408	2,880,736,849	-37,160,741	2,843,576,108

Total Human Services – Fiscal Year 2009 2,693,603,326

Governor’s proposed 2010 increase in human services:	\$94.3 million or 3.5% more than 2009
House proposed 2010 increase in human services	\$179.7 million or 6.7% more than 2009
Senate proposed 2010 increase in human services	\$187.1 million or 6.9% more than 2009
Conference proposed 2010 increase in human services	\$149.9 million or 5.5% more than 2009



May 10, 2009

THE SAFETY NET

For Victims of Recession, Patchwork State Aid

By **JASON DePARLE**

WASHINGTON — As millions of people seek government aid, many for the first time, they are finding it dispensed American style: through a jumble of disconnected programs that reach some and reject others, often for reasons of geography or chance rather than differences in need.

Health care, housing, food stamps and cash — each forms a separate bureaucratic world, and their dictates often collide. State differences make the patchwork more pronounced, and random foibles can intervene, like a computer debacle in Colorado that made it harder to get food stamps and [Medicaid](#).

The result is a hit-or-miss system of relief, never designed to grapple with the pain of a recession so sudden and deep. Aid seekers often find the rules opaque and arbitrary. And officials often struggle to make policy through a system so complex and Balkanized.

Across the country, hard luck is colliding with fine print.

Workers who banked \$2,000 in severance pay can get food stamps in South Carolina; their counterparts in North Carolina cannot. Oklahomans who earned \$10,000 in six months can collect unemployment if they started work on the 15th of February, May, August or November — but not if they started two weeks later.

When Beverly Johnson of Kosciusko, Miss., lost her job at a Bible college, she took solace in the prospect of jobless benefits. Then Ms. Johnson discovered that as an employee of a religious school she was ineligible for aid. "That was a shock," she said.

When the recession cost Erika Nieves of Bridgeport, Conn., her job with a wrestling promoter, she did get unemployment benefits. But that caused her to lose a welfare-to-work grant and her child care subsidy. Now Ms. Nieves is months behind on her rent and is job hunting with a 2-year-old. "They took away my aid when I need it the most," she said.

As a measure of the safety net, The New York Times examined state-by-state enrollment in six federal programs and found large variations in the share of needy helped.

Just 50 percent of people eligible for food stamps receive them in California, compared with 98 percent in Missouri. Nineteen percent of the unemployed get jobless benefits in South Dakota, compared with 67 percent in Idaho.

Fifteen states rank among the top 10 in providing one form of aid and the bottom 10 in another. California ranks second in distributing cash welfare but last in food stamps. South Dakota, last in jobless benefits, is

first in subsidized housing.

Aid in states most hit by recession is also scattershot. Michigan's programs reach a comparatively high share of the needy, while South Carolina's rank in the middle and Nevada's reach relatively few. All have double-digit unemployment rates.

"The system for helping Americans in need is very fragmented, and it confuses everyone," said Theda Skocpol, a political scientist at Harvard. "Some people are covered and some people are not, even though they look like they're in very similar circumstances."

This complexity is a challenge for [President Obama](#) as he reacts to the economic crisis. The February stimulus act contains more than \$100 billion in safety net provisions, but much of the aid consists of financial incentives the states are free to reject. Several governors quickly spurned grants to expand unemployment insurance, for example, saying the move would raise business taxes and kill jobs.

Aid programs spend hundreds of billions of dollars and reach tens of millions of people; the food stamp program alone covers more than one in 10 Americans. Yet the safety net leaves few camps satisfied. Liberals say programs are weak compared with other rich countries and are overly deferential to states. Conservatives fault costs and complexity and warn that aid can do harm.

With generous programs "you could be discouraging people from seeking better jobs," said Stuart Butler of the [Heritage Foundation](#).

Both sides, those who want more spending and those who want less, would unite under Mr. Butler's description of the status quo. "You've got this kind of jigsaw puzzle that doesn't really fit together," he said.

Compared with its peers, the United States has always made social policy in ad hoc ways, with voters quicker to call themselves self-reliant and central government more structurally constrained. Even the New Deal was a hodgepodge affair, with [Social Security](#) initially omitting about 40 percent of the work force.

Now decades after the Great Society brought a new burst of policymaking, aid programs flow through multiple — and sometimes rivalrous — departmental chains of command. Welfare and Medicaid reside at the [Department of Health and Human Services](#); food stamps at Agriculture; rent subsidies at Housing and Urban Development; unemployment insurance at Labor; and tax credits at [Treasury](#).

Families receive aid, or do not, in contrasting ways. Sheila Zedlewski of the Urban Institute examined use of food stamps, health insurance and child care among a representative group of low-income families. About a third got no help, a third enrolled in one program, and just 5 percent enrolled in all three.

"We have people at both ends of the spectrum," Ms. Zedlewski said in an interview. "But we have far more people who get nothing than who get the whole package. A significant group remains outside the safety net."

Nationwide, about two-thirds of people eligible for food stamps receive them. But just 21 percent of poor children get cash welfare; 30 percent of eligible households get subsidized housing; and 44 percent of the unemployed get jobless benefits.

While calls for government transparency are common, within the safety net, confusion often reigns. Ms. Nieves, of Bridgeport, received five food stamp notices in five weeks, telling her how much to expect: \$241, \$256, \$429, \$492 and \$460.

Sometimes rules that make sense in one program collide with another. That is what happened to Ms. Nieves when she lost her job shipping wrestling souvenirs for \$8 an hour. She was on welfare when she found the work, and to ease the transition the state continued her welfare payments and paid for child care. Then sales slumped, and Ms. Nieves was laid off.

Unemployment benefits replaced just half her earnings, but the state withdrew her welfare grant and child care subsidy.

“Basically, when I lost my job, I just lost everything,” she said.

Sometimes rules in a single program collide with themselves. Such was the case with Jewell French-Allen, who got tangled in an obscure provision of Massachusetts unemployment law. With a high-risk pregnancy at age 35, Ms. French-Allen left a \$40,000 a year job and applied for jobless benefits. But the state denied the request, ruling that she had quit by choice. She then took a sales job at much lower pay, and was laid off.

Had she never held the first job, Ms. French-Allen could have gotten unemployment benefits. But because her earlier request had been denied, the state added a test — and disqualified her because the weekly pay from the second job was less than the benefits she would have gotten from the first.

Two days after she was rejected again, she went into labor and delivered a boy who weighed less than two pounds.

“I am bitter — if I had gotten unemployment, he wouldn’t have been born prematurely,” she said. “When you can’t support yourself financially, it puts incredible stress on your body.”

Unemployment coverage tends to be high where jobs pay well and unions are strong. (Leaders include New Jersey, Pennsylvania and Wisconsin.) Subsidized housing is more plentiful in places that had comparatively large populations decades ago, when money to underwrite new apartments peaked. (It is sparse in Arizona and Florida.)

Since states bear the costs of welfare expansions, most poor states trim the rolls. (Louisiana covers about one of every 20 poor families with children.) But the federal government pays for food stamps, and poor states often grab the aid. (Alabama, Georgia and Louisiana have higher enrollment rates than New York.)

Many states defy easy depiction. While Nevada keeps most programs small, unemployment insurance is an exception, perhaps reflecting union influence in Las Vegas. Despite its modest safety net, Mississippi ranks second in subsidized housing, partly a legacy of the Jim Crow age when Southern states used it to preserve segregation.

Along with differences in program enrollment, the size of benefits differs greatly, too — adding another level of variation. Mississippi pays a weekly average of \$190 in unemployment benefits, while Hawaii pays \$416.

While some programs are limited on purpose, some take shape by accident. Colorado invested \$200 million in a computer system and got a case study in high-tech failure. Within months of the system's start in 2004, the backlog of food stamp and Medicaid cases tripled to 18,000. The state spent three years under court order to reduce delays, but significant backlogs remain.

A bureaucratic bungle compounded the woes of Ms. Johnson, who lost her job as a librarian at Magnolia Bible College in Kosciusko, Miss. Religious schools are exempt from unemployment taxes, so Ms. Johnson, 60, faced the recession without jobless benefits.

She applied for food stamps and was denied because she had more than \$3,000 in an Individual Retirement Account, though officials said she would qualify if the savings were in a [401\(k\)](#).

Finding the distinction illogical, Ms. Johnson searched the Internet and learned that Congress had just changed the law. As of October 2008, savings in either kind of retirement account are no barrier to food stamps.

But state and county officials held firm, and a federal official sent an e-mail message supporting their outdated view. With the help of an advocacy group, the Public Policy Center of Mississippi, she finally traced the problem to an errant Web page at the Department of Agriculture.

"To get maybe \$320 of food stamps took an entire month of work," she said.

Occasionally, people have the opposite fortune: getting benefits they should be denied. That is what happened to Tracey Walker, 43, who was laid off last fall after seven years on the night shift at a Baltimore cosmetics factory and lost her health insurance.

With high blood pressure and headaches, Ms. Walker tried to get Medicaid, but was told her jobless benefits were too high. "I just sat there and cried," she said.

She was ineligible for food stamps, too, but the caseworker prayed, bent the rules and authorized \$180 a month — freeing up just enough cash for blood pressure pills. "It made me cry even more," Ms. Walker said.

There are few growth industries in Baltimore, but Ms. Walker found one: a nonprofit group that helps the needy apply for Medicaid. She started work there last month as an enrollment specialist. Among the benefits she prizes is coverage under the group's health insurance plan.

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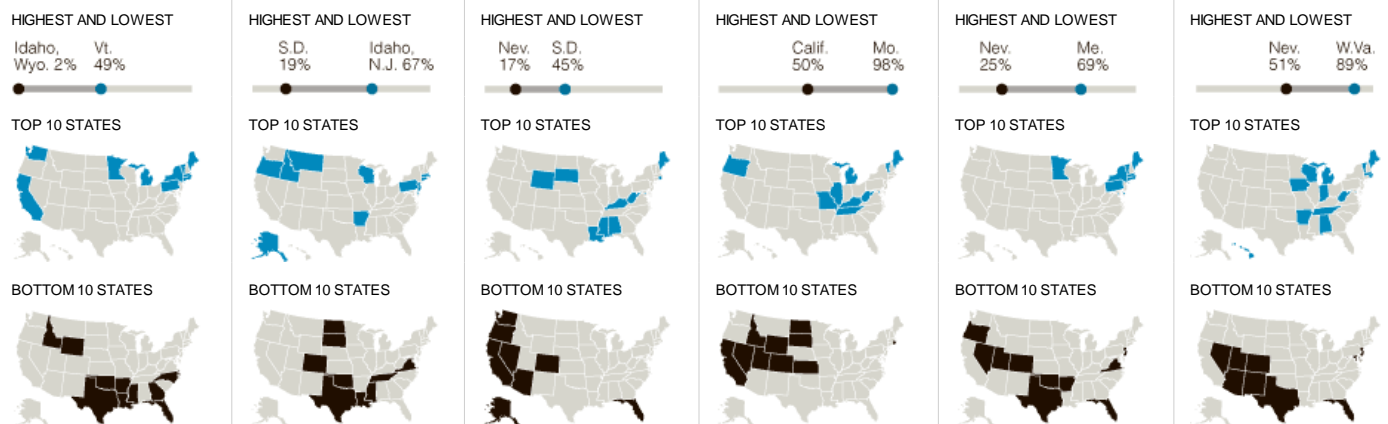
May 9, 2009

E-MAIL FEEDBACK SIGN IN TO RECOMMEND

Variations in Government Aid Across the Nation

As millions of people seek aid, they are finding a complex system that reaches some and rejects others for unpredictable reasons. For six programs, The Times examined the share of needy people receiving benefits.

<p>Welfare States bear the costs of expanded welfare rolls. Poor Southern states have historically been sparing. Louisiana covers about 5 percent of poor families with children.</p>	<p>Unemployment Benefits reach fewer workers where wages are low or unions are weak, as they are in much of the South.</p>	<p>Housing assistance Construction peaked decades ago, which means less subsidized housing in states like Arizona and Florida with recent population growth.</p>	<p>Food stamps With the federal government footing the bill, some poor states, including Tenn. and W. Va., sign many people up. Long distances and calls for self-reliance may reduce usage in the West.</p>	<p>Health insurance for poor adults Northeastern states, like Massachusetts, have expanded coverage for poor adults, though costs are high and states pay a substantial share.</p>	<p>Health insurance for poor children Children cost less to cover than adults, and the federal government pays a greater share. No state covers fewer than half of its low-income uninsured children.</p>
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Full Results of the Examination

States are ordered by average rank on all six programs. Color shows state ranking: ■ Top 10 ■ Bottom 10

State	Share of poor children and parents that receive cash welfare*	Share of unemployed that receive benefits	Share of eligible households that receive housing benefits	Share of eligible people that receive food stamps	Share of uninsured poor adults covered by government programs*	Share of uninsured low-income children covered by government programs†
U.S. average	21%	44%	30%	67%	41%	73%
Vermont	49%	50%	35%	80%	61%	85%
Maine	46%	37%	41%	96%	69%	86%
Massachusetts	38%	64%	35%	61%	63%	86%
D.C.	N.A.	28%	42%	86%	64%	88%
Pennsylvania	31%	66%	33%	75%	54%	77%
West Virginia	14%	45%	42%	83%	47%	89%
Iowa	28%	49%	35%	71%	48%	86%

Michigan	32%		46%		31%		80%		50%		86%	
Rhode Island	40%		43%		39%		55%		57%		85%	
Tennessee	30%		33%		35%		91%		49%		83%	
Connecticut	31%		51%		34%		65%		54%		78%	
Minnesota	35%		42%		37%		69%		54%		75%	
Indiana	29%		46%		32%		74%		43%		83%	
New York	32%		48%		32%		63%		55%		81%	
Delaware	22%		58%		34%		73%		53%		71%	
Hawaii	25%		50%		26%		72%		49%		83%	
Missouri	29%		35%		33%		98%		45%		79%	
Wisconsin	14%		65%		29%		67%		51%		83%	
Kentucky	15%		36%		38%		78%		45%		81%	
Ohio	23%		37%		33%		70%		50%		81%	
Washington	32%		40%		24%		75%		47%		82%	
Arkansas	7%		55%		34%		77%		33%		83%	
Alabama	10%		41%		38%		66%		45%		83%	
South Carolina	9%		44%		33%		74%		45%		76%	
Kansas	23%		37%		34%		59%		43%		82%	
New Hampshire	28%		37%		34%		68%		38%		76%	
Nebraska	24%		40%		33%		67%		40%		75%	
Alaska	24%		51%		26%		63%		36%		81%	
Oregon	21%		57%		25%		85%		35%		72%	
Illinois	9%		43%		30%		79%		38%		77%	
New Mexico	17%		49%		31%		71%		39%		69%	
Montana	11%		52%		32%		62%		43%		70%	
Louisiana	5%		32%		39%		75%		37%		76%	
South Dakota	12%		19%		45%		58%		42%		79%	
North Carolina	7%		46%		29%		67%		42%		73%	
North Dakota	22%		33%		37%		57%		43%		70%	
Idaho	2%		67%		29%		57%		44%		73%	
Maryland	25%		45%		32%		60%		37%		69%	
Mississippi	7%		32%		42%		63%		39%		72%	
New Jersey	27%		67%		28%		60%		33%		62%	
California	47%		43%		21%		50%		37%		73%	
Wyoming	2%		35%		39%		53%		40%		77%	
Georgia	6%		36%		33%		68%		36%		73%	
Virginia	18%		29%		31%		69%		34%		71%	
Oklahoma	6%		29%		32%		69%		31%		77%	
Arizona	18%		35%		19%		61%		43%		67%	
Nevada	14%		49%		17%		54%		25%		51%	
Florida	7%		38%		23%		62%		30%		56%	
Utah	8%		35%		28%		56%		32%		64%	
Texas	6%		25%		28%		63%		27%		61%	
Colorado	8%		26%		23%		54%		30%		57%	

* Below 100 percent of the poverty line. † Below 200 percent of the poverty line.

Sources: Welfare: New York Times survey of states as of fall 2008; Census Bureau Unemployment: 2008 data, Department of Labor Housing: Douglas Rice, Center on Budget and Policy Priorities, analysis includes six programs, including the low-income housing tax credit; state and federal data from 2006 to 2008 Food Stamps: Mathematica Policy Research Inc. analysis of 2006 data Health insurance: John Holahan and Allison Cook, Urban Institute, analysis of census data from 2006 to 2008

Jason Deparle and Matthew Ericson/The New York Times



Real Estate

Where Americans Are Taxed Most

Matt Woolsey, 03.30.09, 8:45 PM ET

In early April, fears of IRS tax men are warranted, but in many places it's the state government that residents should be worried about.

Take Vermont. It levies the nation's largest tax burden on individuals. Ask anyone living there if the green mountains, popular ski slopes and quaint bed and breakfasts are enough to soften the blow of \$3,861 per person kicked up annually to the state government. You'll likely get a lot of "nos."

Some states are heavy on state income tax, others on property tax and others still on sales tax. Vermont doesn't mess around: sales, property and personal income taxes strike at \$1,379, \$1,004 and \$1,306 per person, respectively.

In Depth: 10 States That Tax Most

At least in [Hawaii](#), which ranks No. 2, the state government sticks it to out-of-towners: Property taxes are non-existent there, with the majority of receipts coming from sales tax thanks to a heavily tourist-driven economy. Aloha mainlanders.

Behind Hawaii and in the top five are [Connecticut](#) and [New Jersey](#). No surprises there. Northeastern states dominated our list, taking six out of the 10 top spots thanks to high personal incomes and high property tax rates.

Behind the Numbers

The list of most taxed states comes from Census Department figures from from July 2007 to June 2008. We excluded all taxes not borne by individuals, instead including taxes such as: property, individual income, sales, alcoholic beverages, tobacco, motor vehicles, hunting and fishing, motor fuels, death and gift taxes, as well as insurance premiums. Adding up total receipts and then dividing by the number of citizens, we arrived at our tax-burden-per-person metric.

The fiscal year 2008 was a good one for state governments. Taxes on individual income totaled \$280 billion nationwide, up 5.1% from the year prior. Of that boon, \$36.5 billion came from [New York](#) and \$12.4 billion came from [Massachusetts](#). Drill down to the per-person level, and that's \$1,876 and \$1,925 respectively.

But income tax isn't the only way state governments hit their constituents. [Wyoming](#) has no state income tax, and has relatively small property taxes (\$526 per year). Still, the state draws 70% of it's tax revenue, or \$1,658 per person, on individual tax receipts at the checkout counter.

Of course, with the way the economy trended in 2008, state governments don't have a chance at another uptick for this collection season. According to the U.S. Labor Department, 2.6 million jobs evaporated in 2008. Consumer spending--which drives sales tax receipts--accounts for two-thirds of economic activity in the U.S. according to the Commerce Department. In the fourth quarter of 2008, consumer spending dropped by 4.3%, the steepest drop since 1980. Spending has edged up in February and March, according to the Commerce Department, but is still short of third-quarter 2008 levels.

What's more, the U.S. normally runs a negative savings rate, which means consumers spend more than they have and live off credit. Now, with the economy cratering, Americans are stashing their cash and have boosted the savings rate to 5%, according to the Commerce Department, the highest rate in 13 years. That's bad news for state governments, as money being saved instead of spent cannot be taxed.

With less money coming in, and less to do, maybe that means tax men will be America's next round of mass layoffs, a cause for which citizens are unlikely to support a bailout.

In Depth: 10 States That Tax Most

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In Depth: Most Taxed States

Read the full story Matt Woolsey

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© AP Photo/Toby Talbot Numbers represent July 2007 to June 2008 personal income, sales and property tax figures from the U.S. Census Department broken down to per capita levels.

1. Vermont

Population: 620,000

Average tax burden per person: \$3,861

If there can be a good thing said about a high individual tax burden in Vermont, it's that the levels of tax are relatively even: personal spending, property taxes and personal income taxes all come out to similar levels at \$1,379, \$1,004 and \$1,306, respectively. So at least your bills draw down your wallet in balance. That's something, right?

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Out Year Projection w/ 3.5% growth

		FY09	FY10	FY11	FY12	FY13
Available						
1	GF Base	1,124.69	1,043.95	1,096.70	1,186.00	1,264.20
2	GF One time	33.81	25.17	15.02 *	0.00	0.00
		<u>1,158.50</u>	<u>1,069.12</u>	<u>1,111.72</u>	<u>1,186.00</u>	<u>1,264.20</u>
			-7.72%	3.98%	6.68%	6.59%
Uses						
3	GF Base	1,148.71	1,078.74	1,199.60 **	1,348.09	1,395.27
4	GF One time	8.79	13.28	0.00	0.00	0.00
5	GF Need - From ARRA	74.73	174.50	100.00	0.00	0.00
		<u>1,232.23</u>	<u>1,266.52</u>	<u>1,299.60</u>	<u>1,348.09</u>	<u>1,395.27</u>
			2.78%	2.61%	3.73%	3.50%
6	GAP w/o ARRA or New Revenue	(74.72)	(197.40)	(187.88)	(162.09)	(131.07)

Gap Solutions

7	New GF Base Revenue		22.90 ***	20.50	20.50	21.22
8	ARRA Available - GF Direct	74.73	174.50	100.00	0.00	0.00
9						
10	GF Bal After ARRA	0.00	0.00	(67.38)	(141.59)	(109.85)
11	EF Shift		14.20	8.95	4.50	4.66
12	EF Fund Transfer Reduction in GF Base		18.40	18.40	18.40	18.40

* One time revenue in FY11 includes an estimated \$10.4 million of caseload reserve available

** Assumes the increase in Teacher's Retirement for FY11 estimated at \$19 million is able to be included in the 3.5% growth rate. To the extent this can not be accommodated it will add to the deficit projection in line # 10

*** Increase in cigarette tax and tobacco products tax is deposited in to Catamount and HC funds this is reflected in reduced GF base uses

(millions of dollars)

	FY2009	FY2010	FY2011	
a Base Homestead Tax Rate ¹	\$0.87	\$0.86	\$0.86	
b Uniform Non-Homestead Tax Rate ¹	\$1.36	\$1.35	\$1.35	
c Base Rate on Household Income ¹	1.80%	1.80%	1.80%	
d Household Income Limit	\$90,000	\$90,000	\$90,000	
e Housesite Value Limit if Over Household Income Limit	\$200,000	\$200,000	\$200,000	
f Base Education Amount Per Pupil	\$8,210	\$8,544	\$8,544	
g Equalized Pupil Count	95,676	94,107	93,166	
h Education Grand List Growth Rate	9.7%	6.9%	2.2%	
i Education Spending Growth Rate	5.0%	2.2%	0.0%	

¹The statutory education tax rates are: homestead property - \$1.10 (base tax rate); nonresidential property - \$1.59; and household income - 2% (base tax rate).

1 Homestead Education Tax	462.5	490.5	509.6	
1a Homestead Property Tax Adjustment	(120.7)	(140.9)	(153.6)	
2 Non-Homestead Education Tax	535.2	556.3	565.8	
3 Sales & Use Tax	107.1	106.8	110.7	Includes \$1.5M digital downloads and liquor.
4 Purchase & Use Tax	22.2	22.5	23.9	Includes \$0.2M from truck cap; vehicle rentals.
5 General Fund Transfer	291.1	259.2	259.2	Reduced by \$38.6M, but replaced with ARRA funds.
5a GF Transfer Reduction	-	(18.4)	(18.4)	
6 Lottery Transfer	19.6	19.7	20.2	
7 Medicaid Transfer	0.0	0.0	0.0	Offset by ARRA impact on spending (-\$5.3M / -\$4.7M).
8 Vermont Yankee Education Tax	1.9	1.9	1.9	
9 Total Sources	1,318.9	1,297.6	1,319.2	

Uses

10 Education Payment	1,112.3	1,097.5	1,097.5	Reduced by \$38.6M, but replaced with ARRA funds.
11 Special Education	142.5	142.5	142.5	State share offset by ARRA impact on spending .
12 State-Placed Students	16.4	18.9	20.8	
13 Transportation	15.0	15.5	16.0	
14 Technical Education	12.4	12.8	13.4	
15 Small Schools	6.6	7.0	7.3	
16 EEE Block Grant	5.5	5.7	5.9	
17 Early Education Initiative	-	1.1	1.1	Offset by EF share of net savings due to lower spending.
18 Capital Debt	0.2	0.2	0.1	
19 Adult Education & Literacy	2.3	3.0	3.0	
20 Renter Rebate (EF share only - 70% of total)	5.6	5.9	6.2	
21 Reappraisal & Listing Payment	3.3	3.5	3.3	FY2010 - \$0.2M one-time for hydroelectric reappraisal.
22 Other (EF interest; Other)	(0.4)	(0.3)	(0.3)	
23 Total Uses	1,321.6	1,313.3	1,316.8	

Fund Balance

24 Current Year Revenue Surplus/(Deficit)	(2.7)	(15.6)	2.5	
25 Prior Year Fund Balance	41.5	38.8	23.2	
26 Spending Authority Surplus/(Deficit)	0.0	0.0	0.0	
27 Non-Operating Transfers	0.0	0.0	0.0	
28 Current Year Fund Balance	38.8	23.2	25.7	

Stabilization Reserve

29 Revenue Surplus/(Deficit) & Non-Operating Transfers	(2.7)	(15.6)	2.5	
30 Prior Year Reversions	(3.6)	0.0	0.0	
31 Transfer to/(from) Stabilization Reserve	(4.3)	(4.6)	2.5	
32 Transfer to/(from) Unreserved/Unallocated	5.2	(11.0)	0.0	
33 Stabilization Reserve	25.1	20.5	23.0	
34 Percent of Prior Year Net Appropriations	5.0%	3.9%	4.3%	
35 Maximum Reserve Target @ 5.0%	25.1	26.4	27.0	
36 Minimum Reserve Target @ 3.5%	17.6	18.4	18.9	

37 Available for education tax rate reduction	11.0	0.0	0.0	
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In-State Primarily Business Income (*) Filers with State Tax Deduction - Profile

Legislative Proposed Personal Income Tax System Change

<u>Impact</u>	<u>Returns</u>	<u>Current Law Tax</u>	<u>Proposed Tax</u>	<u>Tax Difference</u>	<u>Average Tax Difference</u>
Higher Tax	2,003	51,131,917	57,245,077	6,113,160	3,052
Even or Lower Tax	1,701	19,532,865	18,977,869	-554,996	-326

(*) Defined as 50% or more of earned income from sole proprietor (Schedule C), passthrough (Schedule E) or farm (Schedule F)

Vermont Housing & Conservation Board (VHCB) FY2010 Budget

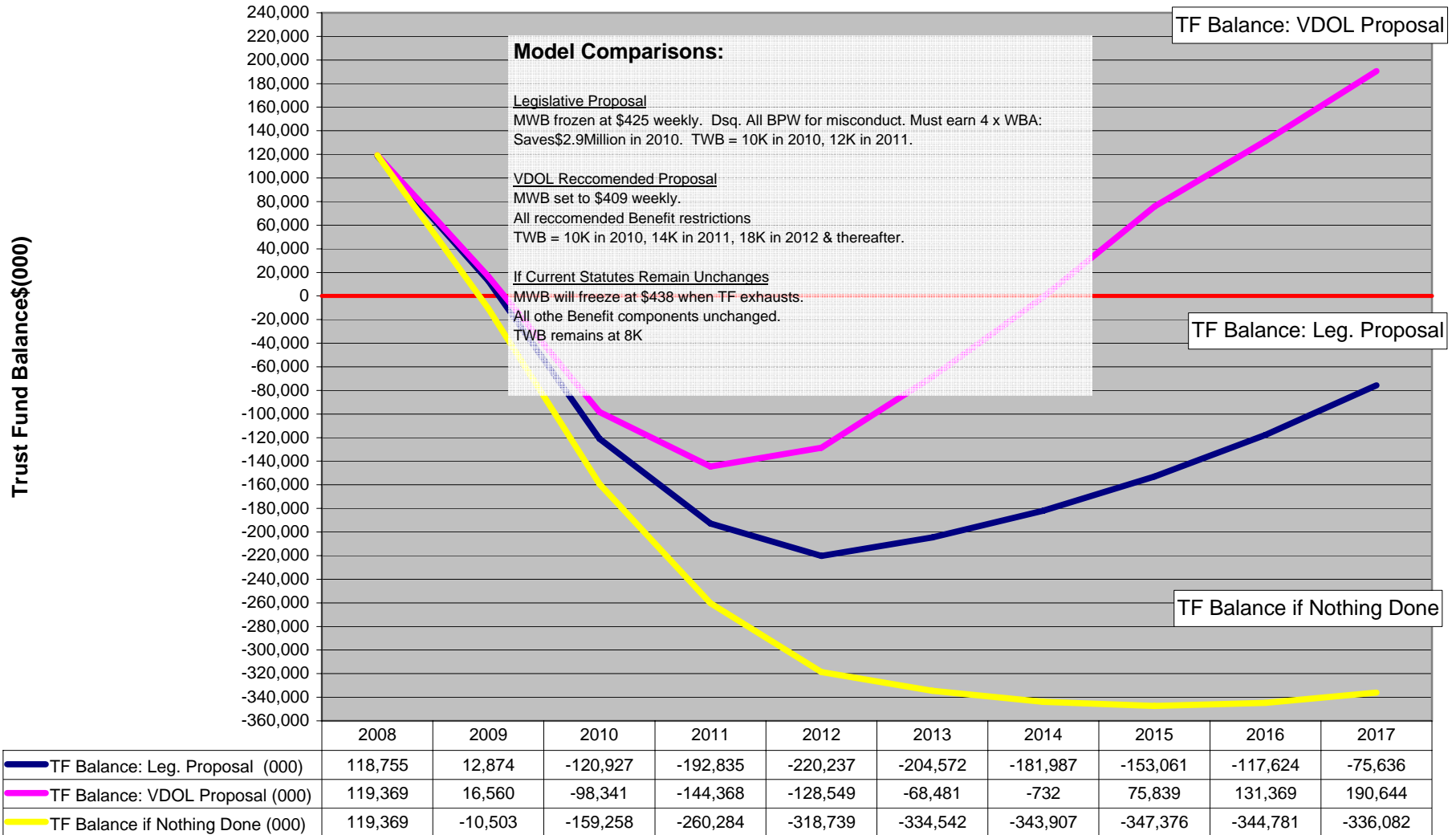
<i>Baseline</i>		
FY2009 Budget Adjustment:	\$12,464,095	** VHCB state funding through property transfer tax
<u>FY2010 H.441 "Big Bill" Conf. Comm. Report:</u>	<u>\$6,101,662</u>	** VHCB state funding through property transfer tax
Legislature's Stated "Cut" to VHCB	(\$6,362,433)	** "(\$6,300,000)" Per Joint Fiscal Office (JFO) document: VTLEG 247405.v1

<i>Finances</i>		
VHCB FY10 from Prop. Transfer Tax	\$6,101,662	** Conf. Comm. increased \$2M above Gov. Rec. of \$4.1M
H.441 Sec. B.1101 (a)(4)	\$1,000,000	** General fund grant to VHCB for VT Center for Independent Living
H.441 Sec. E.235.4 (b)(5)	\$2,000,000	** ARRA energy funds for weatherization
H.441 Sec. E.813.2	\$3,000,000	** Federal Neighborhood Stabilization Program money / Up to \$400,000 administrative costs
<u>H.445 "Capital Bill" Sec. 20 (c)</u>	<u>\$1,000,000</u>	** Capital bonding proceeds "to support building of transitional housing"
VHCB Final Tally	\$13,101,662	
	5.12% Increase over FY09 Appropriation	

<i>Other Language</i>		
H.441 Sec. E.326.1 (b) & (c) - Directs VHCB's involvement in state weatherization efforts		
H.441 Sec. E.800 - VHCB part of committee to redeploy CDBG funds		
H.441 Sec. E.813 - Massive restructuring of VHCB board to add legislatively appointed members; drops ACCD ex-officio; adds AHS ex-officio		
H.441 Sec. E.813.1 - Makes VHCB " exclusive designated entity " to seek and administer federal affordable housing funds available from" HUD; switch from State as designee		
H.313 "Econ. Dev. Bill" Sec. 17 (c)(1) - Directs Agency of Agriculture to work with VHCB and VEDA to seek ARRA money from USDA.		
H.313 "Econ. Dev. Bill" Sec. 17 (c)(2)(C) - Establishes VHCB farm viability program as legislative priority to which ARRA money should be directed.		

05/15/2009

Unemployment Trust Fund Leg. Proposal, VDOL Proposal, & If Nothing is Done



SOURCE: VDOL Benefit Finance Model, May, 2009