

Subject: Urgent FY24 Budget Adjustment Flood Relief Funding Requests

Date: January 9, 2024

To: House Appropriations Committee

From: Rep. Peter Anthony, Rep. Conor Casey, Rep. Kate McCann, Rep. Jonathan Williams

Dear Members of the House Appropriations Committee,

We write to draw your attention to urgent matters related to the FY24 Budget Adjustment, particularly concerning the critical need for flood relief funding. As you are aware, we have introduced the Omnibus Flood Relief Bill, outlining comprehensive measures for aiding those affected by the 2023 flooding and establishing crucial policies for future mitigation and emergency preparedness.

While we anticipate that many of our proposed measures will be considered for the FY25 budget, we wish to highlight two immediate areas requiring your attention:

Municipal Funding (\$15 million): In addition to the pressing issue of tax abatements, cities and towns impacted by flooding are grappling with severely compromised budgets. As communities prepare for Town Meeting Day, they face the prospect of making drastic cuts to essential services, including public safety, senior programs, and public transportation. This financial strain comes at a time when these services are more crucial than ever during the ongoing recovery.

Funding for the Flood Resilient Community Fund (\$10 million): The Flood Resilient Community Fund provides flexible grants to raise, demolish, or buy out homes severely affected by the flood. Individuals in this category have lost everything and urgently need grant assistance to navigate their current circumstances. As we seek to enhance housing opportunities across the state, preserving existing housing becomes a priority, especially for those unfairly placed in this position through no fault of their own.

We acknowledge that these requests come amidst budgetary constraints and competing interests. Attached to this memo, you will find the relevant sections of the bill, which we would ask to be made effective upon the Budget Adjustment Act's passage. The cities of Barre and Montpelier will be providing a more comprehensive overview of the specific needs and challenges they face. We are available to testify or facilitate testimony from concerned parties to further explain the urgency and significance of these requests.

Thank you for your attention to these critical matters. We look forward to working collaboratively to address the pressing needs of our communities.

Sincerely,

Rep. Peter Anthony

Rep. Conor Casey

Rep. Kate McCann

Rep. Jonathan Williams

* * * Flood Recovery; Municipal Lost Revenue * * *

Sec. 3. FLOOD RECOVERY LOST REVENUE GRANT PROGRAM

(a) The Agency of Commerce and Community Development shall establish a program to award grants to municipalities to offset municipal tax and other revenues lost due to the 2023 flooding, including lost property tax revenue due to tax abatement of flood affected property. The Agency of Commerce and Community Development shall establish a formula for the award of grants to municipalities under this section. The formula shall be noncompetitive and shall be designed to award grants based on the proportion of revenue lost by each municipality.

(b) Applications for a grant under this section shall be submitted to the Agency of Commerce and Community Development on or before January 1, 2025. The Agency shall provide an application form or electronic application that all affected municipalities may access.

(c) In addition to other funds appropriated to the Agency of Commerce and Community Development in fiscal year 2025, \$15,000,000.00 from the General Fund is appropriated to the Agency for grant awards to municipalities under this section.

Sec. 6. FLOOD RESILIENT COMMUNITIES PROGRAM

(a) Upon expenditure of all money appropriated to the Division of Vermont Emergency Management's (VEM's) Flood Resilient Communities Fund, VEM shall rename the program the Flood Resilient Communities Program to continue to provide funding for hazard mitigation matching funds and a State-level buyout program for parcels ineligible for Federal Emergency Management Administration-related programs. Funds under the Program shall be available for:

- (1) the buyout or purchase of flood damaged property;
- (2) elevation of flood damaged structures;
- (3) removal of damaged structures or debris on flood damaged property; and
- (4) activities to increase flood resiliency of property, including streambank alteration or land conservation.

(b) In addition to other funds appropriated to the Department of Public Safety in fiscal year 2025, \$10,000,000.00 from the General Fund is appropriated to the Department for VEM administration of the Flood Resilient Communities Program. VEM shall not commingle State funds received under this subsection with previous appropriations to VEM from federal sources.