

PHILIP B. SCOTT
GOVERNOR



State of Vermont
OFFICE OF THE GOVERNOR

May 23, 2024

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Today I'm signing H.883, *An act relating to making appropriations for the support of government*. I want to thank House and Senate leadership, and the members of the appropriations committees, for their hard work on this legislation. I specifically need to acknowledge the tireless work of Senator Kitchel for whom this budget reflects her last budget as Chair of the Senate Appropriations Committee. Her more than five decades of work in the legislative and executive branches exemplifies public service. And the work on this budget in particular, shows that when we work together – and both sides are willing to give a little – we can craft a budget that meets the needs of Vermonters without adding to their tax burden. I appreciate her collaboration and dedication to Vermonters.

This budget makes critical investments in the priority areas I outlined in my budget proposal. This includes long-term housing, economic development, public safety and help for our vulnerable populations. Importantly, it does not rely on new or higher taxes, achieving balance without adding to the significant tax load Vermonters already carry.

Compromise, however, means accepting some things that I don't support. In this budget, that includes some fee increases, which I continue to believe are unnecessary and may dissuade financial institutions from increasing their presence in this state. I also remain concerned about the substantial increase in base spending, which may not be sustainable under a more modest – and typical – revenue environment. For example, H.883 creates 43 permanent positions and another 35 limited-service positions. These are on top of the 70 permanent positions and 32 limited-service positions created in last year's budget.

This budget is also overly reliant on one-time and contingent funding. It uses anticipated contingent surplus, ARPA reversions, and special fund transfers to support important programs that will create unsustainable expectations if further one-time funds are unavailable. By not making difficult choices this year and focusing scarce resources on programs we can't sustain, we are setting up a very challenging budget development in FY26.

Despite these concerns, I'm returning H.883 with my signature because, on balance, this budget does more good than harm. Vermonters have elected and reelected me, in part, to provide fiscal responsibility in Montpelier. I urge the Legislature to work with me next year to accomplish our shared goals while living within our means.

Sincerely,

A handwritten signature in black ink that reads "Philip B. Scott". The signature is stylized and includes a long horizontal flourish extending to the right.

Philip B. Scott
Governor