



VERMONT LEGISLATIVE
Joint Fiscal Office

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Fiscal Note

March 25, 2024

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S.310 – An act relating to natural disaster government response, recovery, and resiliency

As recommended by the Senate Committee on Appropriations - Draft 1.2

Bill Summary

The bill proposes numerous modifications to Vermont’s disaster response statutes and activities. The bill also would, among other things, create a new municipal grant program, increase the Fire Service Training Council insurance assessment by \$150,000, expand eligibility for survivor benefits to public works employees, authorize the creation of an Urban Search and Rescue Team, make changes to stormwater utility laws, and review various aspects of Vermont’s emergency response system.

The Senate Committee on Appropriations recommends deletion of several sections from S.310 that proposed appropriations, consistent with the Committee’s typical practice of reflecting all appropriations within the fiscal year 2025 appropriations act (Big Bill).

Fiscal Impact

The following sections of S.310, as recommended by the Committee on Appropriations, would have fiscal impacts:

- Creating a Community Resilience and Disaster Mitigation Fund for a municipal disaster mitigation, adaptation, or repair grant program. As introduced, the Fund would receive a \$15 million General Fund appropriation in fiscal year 2025; the Committee on Appropriations recommends deletion of the appropriation from the bill.
- Increasing the Fire Service Training Council insurance assessment by \$150,000 and dedicating the increase to the Emergency Medical Services Special Fund.
- Expanding the eligibility of \$80,000 survivor benefits to survivors of certain public works employees who die in the line of duty or from an occupation-related illness.
- Authorizing the creation of an Urban Search and Rescue (USAR) Team with a designated program manager. As introduced, the bill would have allocated no less than \$750,000 annually to support the Team but did not appropriate additional funds. The Committee on Appropriations recommends deleting the \$750,000 reference.
- Requiring the Enhanced 911 (E-911) Board to fund an evaluation of telecommunications tariffs. As introduced, the bill contained a \$25,000 General Fund appropriation in fiscal year 2025 to fund this work; the Committee on Appropriations recommends deletion of the appropriation from the bill.

The Committee on Appropriations further recommends deleting, in their entirety, Section 12 (creating 5.5 FTE emergency management coordinators with a \$550,000 General Fund appropriation), Section 22 (\$15,000 appropriation for emergency communications upgrades, \$25,000 multi-media outreach campaign), Section 36 (\$200,000 Continuing Local Economic Damage Grant Program), and Section 37 (\$830,000 General Fund transfer to the Emergency Relief and Assistance Fund). These proposed deletions are consistent with the Committee's typical practice of evaluating and reflecting all appropriations within the fiscal year 2025 appropriations act (Big Bill).

Background and Details

The following sections of S.310, as recommended, would have a fiscal impact:

Sections 1-3: Community Resilience and Disaster Mitigation Fund and Grant Program

Section 1 proposes to create a Community Resilience and Disaster Mitigation Grant Program to award grants to covered municipalities to support disaster mitigation, adaptation, or repair activities. To be eligible, a municipality must participate in the National Flood Insurance Program in accordance with 42 U.S.C. chapter 50. The grant program would be designed and administered by DPS, in coordination with the Department of Environmental Conservation (DEC).

Section 2 would create the Community Resilience and Disaster Mitigation Fund to provide funding for the program established in Section 1. This Fund would be administered by the DPS and consist of monies appropriated or transferred to the Fund. The Senate Committee on Appropriations recommends deleting Section 3, which would have appropriated \$15 million to the Fund, to instead reflect all appropriations in the fiscal year 2025 Big Bill.

Section 4: Increase to Emergency Medical Services Special Fund

Section 4 would increase the annual allocation from the Fire Service Training Council insurance assessment to the Emergency Medical Services Special Fund from \$150,000 to \$300,000.

The Fire Service Training Council insurance assessment was established in 1993 and was last increased in 2016, from \$950,000 to \$1.2 million. Per 32 V.S.A. § 8557, the \$1.2 million assessment is charged by the Department of Financial Regulation (DFR) against insurance companies that write fire, homeowner multiple peril, allied lines, farm owners multiple peril, commercial multiple peril, private passenger and commercial auto, and inland marine policies on property and persons situated within Vermont. The assessment does not apply to captive insurance companies. It is charged in proportion to each insurance company's percentage of gross written premiums on property in Vermont. Approximately 300 companies pay the assessment in amounts ranging from \$21 to \$79,000 on a base of approximately \$1 billion of premiums.

The \$1.2 million assessment is deposited in the Fire Safety Special Fund, with an amount not less than \$100,000 allocated to providing training to firefighters and not less than \$150,000 allocated to the Emergency Medical Services Special Fund. Section 4 would increase the total assessment by \$150,000 (from \$1.2 million to \$1.35 million) and dedicate this increase to the Emergency Medical Services (EMS) Special Fund. The EMS Special Fund would then be allocated \$300,000 from the assessment annually.

Section 6: Expansion of Survivors Benefit to Certain Public Works Employees

Under current law, the Emergency Personnel Survivors Benefit Fund provides a benefit of \$80,000 to the survivors of "emergency personnel" who die in the line of duty or from an occupation-related illness.¹ Eligible "emergency personnel" are firefighters as defined in 20 V.S.A. § 3151(3) and emergency medical personnel and volunteers as defined in 24 V.S.A. § 2651. "Survivors" are presently defined as a spouse, child, or parent of emergency personnel. In the event of an eligible death, survivors may request a monetary benefit from the

¹Act 87 (2024) increased the survivors benefit from \$50,000 to \$80,000. Section 6 of S.310, however, proposes to modify this language to increase the benefit from \$50,000 "up to \$80,000."

Fund, subject to the approval of a benefit review board.

Section 6 would expand the benefit to cover survivors of “public works personnel” and domestic partners. Eligible public works personnel would include water, wastewater, and stormwater workers. A “line of duty” death for public works personnel would involve work performed in a hazardous location, as part of an emergency response to an all-hazards event, or in conjunction with emergency personnel in a construction zone, highway traffic area, or other location in which the public works personnel is exposed to risk of injury or fatality from construction hazards, highway traffic volume and speed, nighttime response, environmental factors, weather, or other hazardous conditions.

The Fund is comprised of appropriations, contributions, donations, and interest earned on the balance, but has no dedicated revenue source of its own. At the close of fiscal year 2023, it had a balance of \$176,510 and had not paid out a benefit in more than five years. Expanding the eligibility of benefits to public works personnel would be expected to lead to a higher, but unknown, cost in future years, subject to the occurrence of line of duty deaths and occupation-related illnesses. Section 6 would permit the Emergency Board to transfer additional amounts to the Fund when the General Assembly is not in session if the balance of the Fund is insufficient to pay monetary benefits awarded when the General Assembly is not in session.

Section 11: Disaster Preparedness Review

Section 11 would require Vermont Emergency Management (VEM) to, on or before June 30, 2024,² conduct an after-action review of the State’s disaster preparedness leading up to, during, and after the 2023 summer flooding events. The Director of Emergency Management would be required to submit a written report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations on or before December 15, 2025, with findings and recommendations for improvements.

While Section 11 does not contain an appropriation, VEM expressed a need for additional resources to complete this project due to limited existing staff resources that are current dedicated to multiple declared disasters.

Sections 13-15: Municipal Stormwater Utilities

These sections would modify how stormwater rates are assessed and how the associated revenue may be used. Section 13 would permit sewage system commissioners to set stormwater rates for equivalent residential units based on an average area of impervious surface on residential property within the municipality. The revenues could be used for stormwater management, control, and treatment; flood resilience; floodplain restoration; and other similar measures. The fiscal impact of this provision to ratepayers is not currently known and will depend on the decisions made by individual stormwater utilities.

Section 16: Urban Search and Rescue Team

Section 16 would authorize DPS to create an Urban Search and Rescue (USAR) Team and direct the Commissioner to appoint a program manager. DPS would also be authorized to employ as many USAR Team responders as necessary as temporary State employees, who would be compensated as such when authorized to respond to an emergency or hazard incident or to attend training. As introduced, the bill called for an amount not less than \$750,000 to be annually allocated to the Department of Public Safety for the USAR Team but did not explicitly appropriate additional funding. The Senate Committee on Appropriations recommends deletion of the subsection that references the \$750,000 allocation.

Section 20: Enhanced 911 (E-911) Board Report

Section 20 would direct the E-911 Board to submit a report to the General Assembly on current local exchange telecommunications tariffs, and, in particular, evaluating existing tariffs permitted pursuant to 30 V.S.A.

² The June 30, 2024 date is a possible scrivener’s error and predates the proposed effective date of the bill.

§ 7055, determining actual costs for the provision of the service elements, and comparing those tariffs to similar cost recovery mechanisms in other states.

As introduced, Section 20 contained a \$25,000 General Fund appropriation to the E-911 Board in fiscal year 2025 for conducting the evaluation and producing the report. The Senate Committee on Appropriations recommends removing the appropriation to instead reflect all appropriations in the fiscal year 2025 Big Bill.

Section 21: Language Access Services for State Emergency Communications

Section 21 would require VEM to ensure language assistance services are available for all State emergency communications. These services would be required to be provided to individuals who are Deaf, Hard of Hearing, and DeafBlind and to individuals with limited English proficiency. It is not currently known what the fiscal impact of this requirement would be, but it could represent a budgetary pressure to DPS.

Section 32: State Emergency Response Commission

Section 32 would add one public member from the public works sector to the State Emergency Response Commission. This member, if not a State employee, would be entitled to per diem compensation and expense reimbursement, per 32 V.S.A. § 1010. This would represent a negligible additional cost to the DPS and would depend on actual meeting attendance and frequency.