

Vermont Legislative Joint Fiscal Office

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FISCAL NOTE

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S.34 An Act Relating to Cross-Promoting Development Incentives and State Policy Goals *Amendment from the House Committee on Commerce and Economic Development with further amendment by the House Committee on Appropriations*

Sec. 1 Rural Economic Development Initiative

This section establishes a rural economic development team within the Vermont Housing and Conservation Board (VHCB). Individual positions are not created in this bill. The House proposal of amendment does not include an FY18 appropriation. The Senate chose to fund this initiative in two ways:

1. The Senate required, in its version of S.34, that up to \$200k of VHCB's FY18 appropriation go towards funding this initiative.
2. The Senate's appropriations bill (H.518) included \$75k of one-time general funds in FY18 for the Agency of Agriculture, Food and Markets to then grant to VHCB for this initiative.

The House amendment to S.34 does not include the provision requiring VHCB to dedicate a part of its appropriation to this initiative and it is unclear if the \$75k appropriation from the big bill will be approved in conference committee. The \$75k would pay for VHCB to receive federal rural development grant-writing assistance. This provision would sunset on July 1, 2019. **Cost: Potentially \$75k in FY18 if approved by the H.518 Conference Committee. There could be further costs going forward if VHCB requests additional funding in future base budget requests.**

There are multiple reports/studies required from the Administration in further sections of the House Commerce amendment. These sections of the bill would require Agencies and Departments to allocate resources and personnel to complete studies without additional FY18 budget dollars. The study/report topics are as follows:

1. *Sec. 4: Energy Efficiency Self-Administration for Commercial and Industrial Customers.* **Public Service Department.** Due on or before January 15, 2018. This study was present in the Senate version of the bill.
2. *Sec. 6: Elimination of Air Contaminant Fees for Anaerobic Digesters.* **Agency of Natural Resources.** Due on or before January 15, 2018.
3. *Sec. 9: Worker's Compensation for High-Risk, High-Premium Industries and Occupations.* **Department of Financial Regulation.** Due on or before January 15, 2018.