

1 H.287

2 Introduced by Representatives Botzow of Pownal, Marcotte of Coventry,
3 Dickinson of St. Albans Town, Kitzmiller of Montpelier,
4 Kupersmith of South Burlington, Ralston of Middlebury, Shand
5 of Weathersfield and Young of Albany

6 Referred to Committee on

7 Date:

8 Subject: Commerce and trade; economic development; job creation

9 Statement of purpose: This bill proposes to create additional jobs and increase
10 nonpublic-sector median household income through tax credits and incentives
11 and new and amended economic development programs in the areas of
12 workforce training, entrepreneurship, and the creative economy; access to
13 capital, agriculture, housing, and development; and regional and statewide
14 planning.

15 An act relating to job creation and economic development

16 It is hereby enacted by the General Assembly of the State of Vermont:

1 * * * Tax Credits; VEGI; Grants; Incentives * * *

2 Sec. 1. 32 V.S.A. chapter 151, subchapter 11N is added to read:

3 Subchapter 11N. Economic Development Credits

4 and Incentives

5 § 5930nn. VERMONT BUSINESS PARTNER INCENTIVE

6 (a) Definitions. In this section:

7 (1) “Eligible new employer” means a person:

8 (A) who has been in business for three or more years and has its

9 principal place of business in a state other than Vermont;

10 (B) who has an existing business relationship with a qualified

11 taxpayer;

12 (C) who relocates its principal place of business to Vermont with five

13 or more new Vermont full-time employees; and

14 (D) who does not control, and who is not controlled by, the qualified

15 taxpayer recruiting the person to Vermont. For purposes of this subdivision,

16 “control,” including the term “controlled by,” means:

17 (i) having the power, directly or indirectly, to elect or remove a

18 majority of the members of the other governing body of a person through the

19 ownership of voting shares or interests, by contract, or otherwise; or

20 (ii) being subject to a majority of the risk of loss from the person’s

21 activities or entitled to receive a majority of the person’s residual returns.

1 (2) “Full-time employee” means an employee who works at least 35
2 hours per week and is paid a qualified wage.

3 (3) “Qualified taxpayer” means a person in good standing with its
4 obligations to the state who is subject to the income tax imposed under this
5 chapter and who successfully recruits an eligible new employer to relocate to
6 Vermont.

7 (4) “Qualified wage” means compensation that meets or exceeds the
8 prevailing wage and benefit levels for the region and sector, as determined by
9 the commissioner of labor.

10 (5) “Secretary” means the secretary of commerce and community
11 development.

12 (b) Certification

13 (1) A qualified taxpayer and an eligible new employer may each apply
14 to the secretary for a Vermont business partner incentive certification for the
15 successful recruitment and relocation of the eligible new employer to Vermont.

16 (2) The secretary shall issue a certification to the applicant, on a form
17 created by the secretary for that purpose, upon the secretary’s determination
18 that the applicant meets the requirements of this section. The certification shall
19 include:

1 (A) a statement that the qualified taxpayer and the eligible new
2 employer meet the requirements necessary to receive a credit under this
3 section;

4 (B) the date upon which the eligible new employer relocated to
5 Vermont; and

6 (C) the number of full-time employees for whom a credit may be
7 claimed.

8 (3) The secretary may in his or her discretion reduce the minimum
9 number of five full-time employees required under this section if the
10 compensation paid to one or more new Vermont employees of the new eligible
11 employer exceeds the qualified wage.

12 (4) A person claiming a credit under this section shall submit to the
13 department of taxes a copy of the certification with the return on which the
14 credit is claimed.

15 (c) Amount and availability of credit.

16 (1) A qualified taxpayer and an eligible new employer shall each be
17 entitled to claim against the tax imposed under this chapter an amount equal to
18 \$500.00 for each full-time employee of the eligible new employer who
19 relocates to Vermont on or before December 31, 2012, as certified by the
20 secretary, not to exceed \$5,000.00 per claimant per year.

1 (2) The credit earned under this section shall be used in the tax year
2 following the year in which the eligible new employer relocates to Vermont,
3 and shall not be carried forward.

4 (3) A qualified taxpayer or eligible new employer shall not claim in the
5 same tax year both an incentive awarded under this section and an incentive
6 awarded under section 5930b of this title.

7 (d) The secretary shall submit to the general assembly and the governor a
8 written comprehensive assessment of the program not later than 24 months
9 following the date of the initial certification granted under this section.

10 Sec. 2. Sec. 3(c) of No. 184 of the Acts of the 2005 Adj. Sess. (2006) is
11 amended to read:

12 (c) Beginning April 1, 2009, the economic incentive review board is
13 authorized to grant payroll-based growth incentives pursuant to the Vermont
14 employment growth incentive program established by Sec. 9 of this act.

15 Unless extended by act of the General Assembly, as of ~~January~~ July 1, 2012,
16 no new Vermont employment growth incentive (VEGI) awards under
17 32 V.S.A. § 5930b may be made. Any VEGI awards granted prior to
18 January 1, 2012 may remain in effect until used.

19 Sec. 3. 32 V.S.A. § 5930a(c)(1) is amended to read:

20 (1) The enterprise should create new, full-time jobs to be filled by
21 individuals who are Vermont residents. The new jobs shall not include jobs or

1 employees transferred from an existing business in the state, or replacements
2 for vacant ~~or terminated~~ positions in the applicant's business. The new jobs
3 include those that exceed the applicant's average annual employment level in
4 Vermont during the two preceding ~~fiscal~~ years, unless the council determines
5 that the enterprise will establish a new line of business or create new jobs that
6 are not part of the enterprise prior to making the application for incentives to
7 the council. The enterprise should provide opportunities that increase income,
8 reduce unemployment, and reduce facility vacancy rates. Preference should be
9 given to projects that enhance economic activity in areas of the state with the
10 highest levels of unemployment and the lowest levels of economic activity.

11 Sec. 4. 32 V.S.A. § 5930b(a)(24) is amended to read:

12 (24) "Wage threshold" means the minimum annualized Vermont gross
13 wages and salaries paid, as determined by the council, but not less than 60
14 percent above the Vermont minimum wage at the time of application, in order
15 for a new job to be a qualifying job under this section, unless the council
16 determines that, based on a certification by the secretary of commerce and
17 community development, the enterprise would create new jobs in an area of
18 Vermont with an unemployment rate at or above the statewide unemployment
19 rate.

1 Sec. 5. 32 V.S.A. § 5930b(e) is amended to read:

2 (e) Reporting. By May 1, 2008 and by May 1 each year thereafter, the
3 council and the department of taxes shall file a joint report on the employment
4 growth incentives authorized by this section with the chairs of the house
5 committee on ways and means, the house committee on commerce and
6 economic development, the senate committee on finance, the senate committee
7 on economic development, housing and general affairs, the house and senate
8 committees on appropriations, and the joint fiscal committee of the general
9 assembly and provide notice of the report to the members of those committees.
10 The joint report shall contain the total authorized award amount of incentives
11 granted during the preceding year, amounts actually earned and paid from
12 inception of the program to the date of the report, including the date and
13 amount of the award, the expected calendar year or years in which the award
14 will be exercised, whether the award is currently available, the date the award
15 will expire, ~~and~~ the amount and date of all incentives exercised, and any
16 waiver of the wage threshold requirements pursuant to subdivision (a)(24) of
17 this section. The joint report shall also include information on recipient
18 performance in the year in which the incentives were applied, including the
19 number of applications for the incentive, the number of approved applicants
20 who complied with all their requirements for the incentive, the aggregate
21 number of new jobs created, the aggregate payroll of those jobs and the

1 identity of businesses whose applications were approved. The council and
2 department shall use measures to protect proprietary financial information,
3 such as reporting information in an aggregate form.

4 Sec. 6. SCIENCE, TECHNOLOGY, ENGINEERING, AND
5 MATHEMATICS TAX GRANT PROGRAM

6 (a) In this section:

7 (1) "Accredited institution" means an educational institution that is
8 accredited by a regional accrediting association or by one of the specialized
9 accrediting agencies recognized by the United States Secretary of Education.

10 (2) "New employee" means a person who:

11 (A) graduated from an accredited institution with an associate's
12 degree or higher not more than 18 months before the first date of full-time
13 employment in the area of science, technology, engineering, or mathematics;

14 (B) is employed not less than 12 consecutive months; and

15 (C) is paid annual compensation of not less than \$40,000.00, adjusted
16 annually based on the federal consumer price index, plus benefits, and

17 (D) is certified by the secretary as a new full-time employee of an
18 employer in good standing.

19 (3) "Science, technology, engineering, and mathematics" mean areas of
20 employment determined by the secretary of commerce and community

1 development to require a high level of scientific or mathematical knowledge
2 and skill, excluding similar employment in Vermont colleges or universities.

3 (4) "Student loan" means debt incurred from a financial institution for
4 the purpose of paying college tuition and expenses at an accredited institution,
5 excluding any debt or other financial assistance provided by a family member,
6 relative, or other private person.

7 (b)(1) The secretary of commerce and community development shall adopt
8 regulations to design and implement a Vermont science, technology,
9 engineering, and mathematics grant program, under which a new employee
10 shall be eligible for a grant to pay qualifying student loans in an amount up to
11 \$1,500.00 per year for not more than five years.

12 (2) The secretary shall award up to a maximum of \$75,000.00 per year
13 for grants in accordance with this section.

14 (c) The secretary shall develop and maintain a list of occupations he or she
15 determines are in the areas of science, technology, engineering, and
16 mathematics eligible for a grant under this section.

17 Sec. 7. LONG-TERM UNEMPLOYED GRANT PROGRAM

18 (a) In this section:

19 (1) "New full-time employment" means employment by a qualified
20 employer in a permanent position at least 35 hours each week and for 180 days
21 or more in the calendar year for which the credit is claimed at a compensation

1 of not less than 20 percent greater than the prevailing wage for the
2 corresponding economic sector or region of the state as determined by the
3 Vermont department of labor.

4 (2) "Qualified employer" means a person doing business in Vermont
5 that is registered with the Vermont secretary of state, is current with all
6 payments and filings required by the Vermont departments of taxes and of
7 labor, and has a valid worker's compensation policy.

8 (3) "Qualifying long-term unemployed Vermonter" means a legal
9 resident of Vermont who collected unemployment insurance benefits for five
10 months or more within 30 days of the date of new employment with a qualified
11 employer, hired through the resources of the Vermont department of labor.

12 (b) A qualified employer who provides new full-time employment to a
13 qualifying long-term unemployed Vermonter through a referral made by the
14 department of labor shall be eligible to receive a grant one year after the
15 employee's date of hire in the amount of \$500.00 for each new employee, not
16 to exceed \$5,000.00 per year per employer.

17 (c) The grant program created in this section shall be funded through a
18 general fund appropriation not to exceed \$25,000.00 and shall expire on
19 January 1, 2013.

20 (d) The commissioner of labor shall administer the grant program created
21 in this section, and shall develop:

- 1 (1) a grant application form for qualified employers;
- 2 (2) a process for verifying compliance with the eligibility requirements
- 3 of the program; and
- 4 (3) a process for assessing the success of the program.

5 Sec. 8. [RESERVED]

6 Sec. 9. [RESERVED]

7 * * * Labor; Workforce Training * * *

8 Sec. 10. 10 V.S.A. § 531 is amended to read:

9 § 531. EMPLOYMENT TRAINING

10 (a) The secretary of commerce and community development may issue

11 performance-based grants to any employer, consortium of employers, or

12 ~~contract with~~ providers of training, either individuals or organizations, as

13 necessary, to conduct training under the following circumstances:

14 * * *

15 (b) The secretary of commerce and community development shall find in

16 the grant ~~or contract~~ that:

17 (1) the employer's new or expanded facility will enhance employment

18 opportunities for Vermont residents;

19 (2) the existing labor force within the state will probably be unable to

20 provide the employer with sufficient numbers of employees with suitable

21 training and experience; ~~and~~

1 (3) the employer provides its employees with at least three of the
2 following:

3 (A) health care benefits with 50 percent or more of the premium paid
4 by the employer;

5 (B) dental assistance;

6 (C) paid vacation and holidays;

7 (D) child care;

8 (E) other extraordinary employee benefits; and

9 (F) retirement benefits; and

10 (4) the training is directly related to the employment responsibilities of
11 the trainee.

12 (c) The employer promises as a condition of the grant to:

13 (1) employ new persons at a wage which, at the completion of the
14 training program, is two times the prevailing state or federal minimum wage,
15 whichever is greater, reduced by the value of any existing health benefit
16 package up to a limit of ~~30~~ 35 percent of the gross program wage, or for
17 existing employees, to increase the wage to two times the prevailing state and
18 federal minimum wage, whichever is greater, reduced by the value of any
19 existing health benefit package up to a limit of ~~20~~ 25 percent of the gross
20 program wage, upon completion of training; provided, however, that in areas
21 defined by the secretary of commerce and community development in which

1 the secretary finds that the rate of unemployment is 50 percent greater than the
2 average for the state, the wage rate under this subsection may be set by the
3 secretary at a rate no less than one and one-half times the federal or state
4 minimum wage, whichever is greater;

5 * * *

6 (4) survey all employers and employees as appropriate upon completion
7 of training in a manner described in the grant agreement; and

8 (5) submit a customer satisfaction report to the secretary of commerce
9 and community development no more than 30 days from the last day of the
10 training program, which shall be used to evaluate the program and make
11 necessary changes.

12 (d) In issuing a grant ~~or entering a contract~~ for the conduct of training
13 under this section, the secretary of commerce and community development
14 shall:

15 (1) first consult with: the commissioner of education regarding
16 vocational-technical education; the commissioner of labor regarding
17 apprenticeship programs, on-the-job training programs, and recruiting through
18 Vermont Job Service and available federal training funds; the commissioner
19 for children and families regarding welfare to work priorities; and the
20 University of Vermont and the Vermont state colleges;

1 (2) disburse grant funds only for training hours that have been
2 successfully completed by employees; and

3 (3) use funds under this section only to supplement training efforts of
4 employers and not to replace or supplant efforts of employers or any other
5 public funds otherwise available, excluding the workforce education and
6 training fund established in section 543 of this title.

7 * * *

8 (h) The secretary may designate the commissioner of economic, housing
9 and community development to carry out his or her powers and duties under
10 this chapter.

11 * * *

12 (k) The secretary of commerce and community development may in his or
13 her discretion grant a waiver of the compensation requirements in subsections
14 (b) and (c) of this section in a region of the state having an unemployment rate
15 of 15 percent or greater than the state average.

16 (l) Annually, on or before January 15, the secretary shall submit a mid-year
17 report to the house committee on commerce and economic development and
18 the senate committee on economic development, housing and general affairs
19 summarizing all active and completed contracts and grants, the types of
20 training activities provided, the number of employees served, their average
21 wage, and addressing any waivers granted.

1 Sec. 11. VERMONT YOUTH INTERNSHIP PROGRAM

2 (a) The department of labor shall develop and administer a Vermont
3 statewide internship program for Vermont youth in high school, in college, and
4 those who are recent graduates of 18 months or less.

5 (b) The department shall collaborate with other state agencies and
6 departments that have workforce development and training monies to research
7 and determine new and existing funding sources, program goals, quantifiable
8 measurements and data, and to work with other public and private entities to
9 develop and enhance internship programs, opportunities, and activities.

10 (c) Internships may be encouraged among all sectors, including Vermont
11 agriculture and STEM (science, technology, engineering and mathematics)
12 employers, as well as other employment areas where recruitment problems
13 exist due to a skill gap in the current workforce.

14 (d) The department of labor, the department of building and general
15 services, and the agency of administration will collaborate to involve the state
16 of Vermont as an employer in the internship program to develop criteria for
17 internship opportunities with certain entities awarded a state contract for
18 services, and to reimburse buildings and general services for certain costs
19 associated with workers' compensation coverage for interns.

20 (e) The department of labor, the department of education, and the agency of
21 commerce and community development shall collaborate to develop or

1 enhance a website that will post internship opportunities, and will connect
2 Vermont graduates living in-state and out-of-state with current job postings
3 from Vermont employers, with a focus on STEM jobs and other employment
4 areas where recruitment problems exists due to a skill gap in the current
5 workforce.

6 (f) Program costs in fiscal year 2012 will be funded through an
7 appropriation from the Next Generation money, and subsequent years' funding
8 shall be recommended by the departments of labor and of education, and the
9 agency of commerce and community development.

10 (g) The internship program shall attempt to place at least 100 students and
11 recent graduates in fiscal year 2012.

12 Sec. 12. [RESERVED]

13 Sec. 13. [RESERVED]

14 Sec. 14. [RESERVED]

15 * * * Entrepreneurship; Creative Economy * * *

16 Sec. 15. 3 V.S.A. § 2471c is added read:

17 § 2471c. OFFICE OF CREATIVE ECONOMY

18 (a) The office of creative economy is created within the agency of
19 commerce and community development.

20 (b) The office shall be administered by a director appointed by the
21 secretary pursuant to section 2454 of this chapter and shall be supervised by

1 the commissioner of the department of economic, housing and community
2 development.

3 (c) The director shall promote and support the arts, creative businesses,
4 intellectual property, and cultural nonprofits in order to produce and distribute
5 cultural and innovative commercial goods and services that strengthen the
6 Vermont economy through increased employment, increased state revenue,
7 and enhanced quality of life.

8 Sec. 16. REPEAL

9 10 V.S.A. chapter 26, subchapter 1 (Vermont film corporation) is repealed.

10 Sec. 17. 10 V.S.A. chapter 26, subchapter 3 (Vermont film production
11 incentive program) is amended to read:

12 Subchapter 3. Vermont Film Production Incentive Program

13 § 650. DEFINITIONS

14 * * *

15 (3) ~~“Corporation” means the Vermont film corporation~~ “Director”
16 means the director of the office of creative economy established in 3 V.S.A.
17 § 2471c.

18 * * *

19 § 650a. ESTABLISHMENT

20 There is established within the agency a program to be known as the film
21 production grant program. The program shall be administered by the

1 ~~corporation and the agency~~ director to provide grants to persons for certain
2 films produced within Vermont.

3 § 650b. APPLICATION

4 (a) Application. Prior to commencing production of a film, a person may
5 submit an application to the ~~corporation informing it of~~ director demonstrating
6 the person's intention to request a grant for a Vermont film production. The
7 application shall be on the form required by the ~~corporation~~ director and shall
8 include or demonstrate all of the following:

9 * * *

10 (6) Any other information required by the ~~corporation or the agency~~
11 director.

12 (b) Submissions. Within 60 days of the completion of production of a film,
13 the applicant shall file verification of expenditures with the ~~agency~~ director.
14 The application shall be on the form required by the ~~agency~~ director and shall
15 include or demonstrate all of the following:

16 (1) An itemized list of Vermont production expenses actually incurred.
17 Expenses submitted under this section may not in the aggregate exceed the
18 amount of projected expenses submitted to the department under subdivision
19 (a)(2) of this section.

20 (2) The date of the completion of production of the film.

1 (3) Any other information required by the ~~corporation or agency~~
2 director.

3 § 650c. REVIEW

4 The ~~corporation~~ director shall review the application to determine if the
5 applicant has met all of the criteria set forth in section 650b of this title
6 (relating to application).

7 § 650d. APPROVAL

8 The following shall apply:

9 (1) Upon being satisfied that all requirements have been met and subject
10 to section 650c (relating to limitations) of this title, the ~~corporation~~ director
11 may approve the application and recommend that the secretary award a film
12 production grant.

13 (2) Prior to providing grant funds to the applicant, the ~~corporation~~
14 agency shall enter into a contract with the applicant. The contract shall include
15 provisions requiring the applicant to use the grant to pay costs associated with
16 the production of the film.

17 (3) The ~~corporation~~ agency may impose any other terms and conditions
18 on the grants authorized by this chapter as the ~~corporation~~ agency determines
19 are in the best interests of Vermont

1 § 650e. PENALTY

2 (a) Imposition. Except as provided in subsection (b) of this section, the
3 agency shall impose a penalty upon a recipient for violation of the contract
4 required by section 650d of this title (relating to approval).

5 (b) Exception. The agency may waive the penalty required by subsection
6 (a) of this section ~~if the corporation determines~~ based on a determination and
7 recommendation from the director that the failure was due to circumstances
8 outside the control of the recipient.

9 (c) Amount. The amount of the penalty shall be equal to the full amount of
10 the grant received plus an additional amount of up to 10 percent of the amount
11 of the grant received. The penalty shall be payable in one lump sum or in
12 installments, with or without interest, as the secretary of the agency deems
13 appropriate.

14 * * *

15 Sec. 18. [RESERVED]

16 Sec. 19. [RESERVED]

17 * * * Finance; Access to Capital * * *

18 Sec. 20. 8 V.S.A. § 12603 is amended to read:

19 § 12603. MERCHANT BANKS

20 * * *

1 (f) The minimum amount of initial capital for a merchant bank is
2 ~~\$10,000,000.00~~ \$1,000,000.00, all of which ~~at least \$5,000,000.00~~ shall be
3 common stock or equity interest in the merchant bank. ~~The balance may be~~
4 ~~composed of qualifying subordinated or similar debt~~ A merchant bank may use
5 qualified subordinated debt or senior debt as part of its capital structure above
6 \$1,000,000.00, provided that the amount of subordinated debt or senior debt
7 used as capital above \$1,000,000.00 is not greater than the amount of common
8 stock or equity interest used as capital above \$1,000,000.00. The
9 commissioner, in his or her discretion, may increase or reduce the minimum
10 capital required for a merchant bank.

11 * * *

12 (m) Any acquisition or change in control of ~~five~~ ten percent or more of the
13 common stock or equity interests in a merchant bank shall be subject to the
14 prior approval by the commissioner. The acquiring person shall file an
15 application with the commissioner for approval. The application shall be
16 subject to the provisions of subchapter 7 of chapter 201 of this title.

17 (n) The commissioner ~~may~~ shall examine the merchant bank and any
18 person who controls it to the extent necessary to determine the soundness and
19 viability of the merchant bank in the same manner required by subchapter 5 of
20 chapter 201 of this title.

1 (o) A merchant bank shall include on all its advertising a prominent
2 disclosure that deposits are not accepted by a merchant bank.

3 (p) For purposes of this section, “control” means that a person:

4 (1) directly, indirectly, or acting through another person owns, controls,
5 or has power to vote ten percent or more of any class of equity interest of the
6 merchant bank;

7 (2) controls in any manner the election of a majority of the directors of
8 the merchant bank; or

9 (3) directly or indirectly exercises a controlling influence over the
10 management or policies of the merchant bank.

11 Sec. 21. 10 V.S.A. chapter 3 is added to read:

12 CHAPTER 3. IMMIGRANT INVESTMENT

13 § 21. REGIONAL CENTER IMMIGRANT INVESTMENT FUND

14 (a) The regional center immigrant investment fund is established pursuant
15 to 32 V.S.A. chapter 7, subchapter 5 to be used by the agency of commerce
16 and community development to recover costs incurred in administering the
17 Vermont agency of commerce and community development’s regional center
18 for immigrant investment designated by the United States citizenship and
19 immigration services of the Department of Homeland Security.

1 (f) In the event the municipality has not adopted either the minimum
2 density requirements or neighborhood design standards in its zoning bylaw, the
3 owner of the land within a proposed Vermont neighborhood, after providing
4 written notice to the municipal legislative body, may apply to the expanded
5 downtown board for designation of a Vermont neighborhood by submitting
6 locally permitted plans or a development agreement that incorporates the
7 standards set out in subdivision (c)(5) of this section.

8 Sec. 25. 27A V.S.A. § 1-209 is amended to read:

9 § 1-209. SMALL CONDOMINIUMS; EXCEPTION

10 ~~A condominium that will contain no more than 12 units and is not subject to~~
11 ~~any development rights, unless the declaration provides that the entire act is~~
12 ~~applicable, shall not be subject to subsection~~ Subsection 2-101(b), subdivisions
13 2-109(b)(2) and (11), subsection 2-109(g), section 2-115, and Article 4 of this
14 title shall not apply to a condominium if the declaration:

15 (1) creates fewer than ten units; and

16 (2) restricts ownership of a unit to entities that are controlled, affiliated
17 with, or managed by the declarant.

18 Sec. 26. REPEAL

19 Sec. 12 of No. 155 of the Acts of the 2009 Adj. Sess. (2010) (repeal of
20 27A V.S.A. § 1-209, effective January 1, 2012) is repealed.

21 Sec. 27. [RESERVED]

1 Sec. 28. [RESERVED]

2 * * * Economic Development Planning * * *

3 Sec. 29. 3 V.S.A. § 2293 is amended to read:

4 § 2293. DEVELOPMENT CABINET

5 * * *

6 (c) All state agencies that have programs or take actions affecting land use,
7 including those identified under 3 V.S.A. chapter 67, shall, through or in
8 conjunction with the members of the development cabinet:

9 * * *

10 (11) ~~Report annually to the governor and the legislature, through the~~
11 ~~chair of the development cabinet and the secretary of administration, on the~~
12 ~~effectiveness and impact of this section on the state's economic growth and~~
13 ~~land use development and the activities of the council of regional~~
14 ~~commissions. Repealed.~~

15 (12) Encourage timely and efficient processing of permit applications
16 affecting land use, including 10 V.S.A. chapter 151 and the subdivision
17 regulations adopted under 18 V.S.A. § 1218, in order to encourage the
18 development of affordable housing and small business expansion, while
19 protecting Vermont's natural resources.

20 (13) Participate to the fullest extent possible in creating a long-term
21 economic development plan for the governor, including making available the

1 members of any agency or department of state government as necessary and
2 appropriate to support the mission of an interagency work group established
3 under subsection (b) of this section for the purpose of developing the plan.

4 (d)(1) Pursuant to the recommendations of the oversight panel on economic
5 development created in Section G6 of No. 146 of the Acts of the 2009 Adj.
6 Sess. (2010), the development cabinet shall create an interagency work group
7 as provided in subsection (b) of this section with the secretary of commerce
8 and community development serving as its chair.

9 (2) The mission of the work group shall be to develop a long-term
10 economic development plan for the state, which shall identify goals and
11 recommend actions to be taken over ten years.

12 (e)(1) On or before January 15, 2014, and every two years thereafter, the
13 development cabinet shall complete a long-term economic development plan
14 as required under subsection (d) of this section and recommend it to the
15 governor.

16 (2) Commencing with the plan due on or before January 15, 2016 and
17 every two years thereafter, the development cabinet may elect only to prepare
18 and recommend to the governor an update of this plan.

19 (f) The development cabinet shall prepare a long-term economic
20 development plan in accordance with this section every ten years, commencing
21 with the initial plan due on or before January 15, 2014. Administrative support

1 for the short-term and long-term planning efforts shall be provided by the
2 agency of commerce and community development.

3 ~~(d)~~(g) Limitations. This cabinet is strictly an information gathering and
4 coordinating cabinet and confers no additional enforcement powers.

5 Sec. 30. 24 V.S.A. chapter 117 is amended to read:

6 CHAPTER 117. MUNICIPAL AND REGIONAL PLANNING
7 AND DEVELOPMENT

8 * * *

9 § 4345a. DUTIES OF REGIONAL PLANNING COMMISSIONS

10 A regional planning commission created under this chapter shall:

11 * * *

12 (9) At least once every ~~eight~~ five years, review the compatibility of
13 municipal plans, and if the regional planning commission finds that growth in
14 a municipality without an approved plan is adversely affecting an adjoining
15 municipality, it shall notify the legislative body of both municipalities of that
16 fact and shall urge that the municipal planning be undertaken to mitigate those
17 adverse effects. If, within six months of receipt of this notice, the municipality
18 creating the adverse effects does not have an approved municipal plan, the
19 regional commission shall adopt appropriate amendments to the regional plan
20 as it may deem appropriate to mitigate those adverse effects.

21 * * *

1 § 4348b. READOPTION OF REGIONAL PLANS

2 (a) Unless they are readopted, all regional plans, including all prior
3 amendments, shall expire every ~~eight~~ five years.

4 (b)(1) A regional plan that has expired or is about to expire may be
5 readopted as provided under section 4348 of this title for the adoption of a
6 regional plan or amendment. Prior to any readoption, the regional planning
7 commission shall ~~review and update the information on which the plan is~~
8 ~~based, and shall consider this information in evaluating the continuing~~
9 applicability of the regional plan prepare an assessment report which shall be a
10 part of the readopted regional plan and shall detail the continuing applicability
11 of the regional plan. The assessment report shall include:

12 (A) the extent to which the plan has been implemented since
13 adoption or readoption;

14 (B) an evaluation of the goals and policies and any amendments
15 necessary due to changing conditions of the region;

16 (C) an evaluation of the land use element and any amendments
17 necessary to reflect changes in land use within the region or changes to
18 regional goals and policies;

19 (D) priorities for implementation in the next five years;

20 (E) updates to information and data necessary to support goals and
21 policies.

1 (2) is maintaining its efforts to provide local funds for municipal and
2 regional planning purposes.

3 ~~(b)(4)~~ As part of the consultation process, the commission shall consider
4 whether a municipality has adopted a plan. In order to obtain or retain
5 confirmation of the planning process ~~after January 1, 1996~~, a municipality
6 must have an approved plan. A regional planning commission shall review
7 and approve plans and plan amendments of its member municipalities, when
8 approval is requested and warranted. Each review shall include a public
9 hearing which is noticed at least 15 days in advance by posting in the office of
10 the municipal clerk and at least one public place within the municipality and
11 by publication in a newspaper or newspapers of general publication in the
12 region affected. The commission shall approve a plan if it finds that the plan:

13 ~~(A)~~(1) is consistent with the goals established in section 4302 of this
14 title;

15 ~~(B)~~(2) is compatible with its regional plan;

16 ~~(C)~~(3) is compatible with approved plans of other municipalities in
17 the region; and

18 ~~(D)~~(4) contains all the elements included in subdivisions
19 4382(a)(1)-(10) of this title.

20 ~~(2) Prior to January 1, 1996, if a plan contains all the elements required~~
21 ~~by subdivisions 4382(a)(1)-(10) and is submitted to the regional planning~~

1 ~~commission for approval but is not approved, it shall be conditionally~~
2 ~~approved.~~

3 (c) A commission shall give approval or disapproval to a municipal plan or
4 amendment within two months of its receipt following a final hearing held
5 pursuant to section 4385 of this title. The fact that the plan is approved after
6 the deadline shall not invalidate the plan. If the commission disapproves the
7 plan or amendment, it shall state its reasons in writing and, if appropriate,
8 suggest acceptable modifications. Submissions for approval that follow a
9 disapproval shall receive approval or disapproval within 45 days.

10 (d) The commission shall file any adopted plan or amendment with the
11 department of economic, housing and community development within two
12 weeks of receipt from the municipality. Failure on the part of the commission
13 to file the plan shall not invalidate the plan.

14 (e) During the period of time when a municipal planning process is
15 confirmed:

16 (1) The municipality's plan will not be subject to review by the
17 commissioner of department of economic, housing and community
18 development under section 4351 of this title.

19 (2) State agency plans adopted under chapter 67 of Title 3 shall be
20 compatible with the municipality's approved plan. ~~This provision shall not~~
21 ~~apply to plans that are conditionally approved under this chapter.~~

1 Sec. 39. 6 V.S.A. § 20 is amended to read:

2 § 20. VERMONT LARGE ANIMAL VETERINARIAN EDUCATIONAL
3 LOAN REPAYMENT FUND

4 (a) There is created a special fund to be known as the Vermont large animal
5 veterinarian educational loan repayment fund that shall be used for the purpose
6 of ensuring a stable and adequate supply of large animal veterinarians
7 ~~throughout in regions of the state as determined by the secretary.~~ The fund
8 shall be established and held separate and apart from any other funds or monies
9 of the state and shall be used and administered exclusively for the purpose of
10 this section. The money in the fund shall be invested in the same manner as
11 permitted for investment of funds belonging to the state or held in the treasury.

12 * * *

13 Sec. 40. 6 V.S.A. chapter 207 is amended to read:

14 ~~CHAPTER 207. STATE AGENCIES AND STATE FUNDED~~
15 ~~INSTITUTIONS TO PURCHASE VERMONT PRODUCTS PROMOTION~~
16 ~~AND MARKETING OF VERMONT FOODS AND PRODUCTS~~

17 * * *

18 § 4602. LOCALLY PRODUCED AND SPECIALTY FOOD PRODUCTS
19 MARKETING

20 (a) The secretary of agriculture, food and markets shall lead a statewide
21 effort to establish an effective network for the cooperative purchasing, storage,

1 and packaging of local and specialty food products. The agency of agriculture,
2 food and markets, in collaboration with the Vermont sustainable jobs fund
3 established under subchapter 10 of chapter 12 of Title 10, will aid local and
4 specialty food producers in Vermont in their efforts to supply their products to
5 customers in Vermont and to markets outside the state.

6 (b) The secretary may award grant funds to support the provision of
7 technical assistance to local and specialty food producers for effective
8 development and use of a cooperative network for purchasing, packaging,
9 storing, and marketing of their products. A portion of the farm-to-plate grant
10 funds administered by the secretary may be used for capital grants to support
11 the creation of storage infrastructure.

12 (c) The secretary shall conduct an annual evaluation of progress on the
13 implementation of a farm-to-plate strategic plan, including: holding an annual
14 meeting of local and specialty food products stakeholders; data collection; and
15 analysis.

16 (d) The secretary shall provide an annual report on or before January 15 to
17 the house and senate committees on agriculture.

18 § 4603. GOOD AGRICULTURAL PRACTICES GRANT PROGRAM

19 (a) A good agricultural practices grant program (GAP) is established in the
20 agency of agriculture, food and markets for the purpose of providing matching

1 grant funds to agricultural producers required to obtain GAP certification in
2 order to sell their products in larger retail markets.

3 (b) The secretary may award matching grants for capital upgrades that will
4 support Vermont agricultural producers in obtaining GAP certification. The
5 amount of matching funds required by an applicant for a GAP certification
6 grant shall be determined by the secretary.

7 Sec. 41. 6 V.S.A. § 3319 is added to read:

8 § 3319. SKILLED MEAT CUTTER APPRENTICESHIP PROGRAM

9 (a) A skilled meat cutter apprenticeship program is established in the
10 agency of agriculture, food and markets for the purpose of issuing a
11 competitively awarded grant to an educational institution that will develop and
12 administer either an approved apprenticeship or certificate program, or both
13 programs together, for the occupation of skilled meat cutter.

14 (b) The secretary shall make a single grant to the successful applicant for
15 the creation and operation of an employment-based learning program with
16 approved classroom and on-the-job training components.

17 Sec. 42. 6 V.S.A. § 4724 is added to chapter 211 to read:

18 § 4724. LOCAL FOODS COORDINATOR

19 (a) The position of local food coordinator is established in the agency of
20 agriculture, food and markets for the purpose of assisting Vermont producers

1 in increasing their access to large institutional markets, including schools, state
2 and municipal government, hospitals, and other large consumers.

3 (b) The duties of the local foods coordinator shall include:

4 (1) working with institutions, distributors, producers, and others to
5 create matchmaking opportunities that result in a larger number of Vermont
6 institutions interested in purchasing foods that are locally grown and produced
7 in Vermont;

8 (2) administer the farm-to-school and farm-to-institutions programs
9 within the agency of agriculture, food and markets and coordinate activities
10 with interested parties in the state.

11 (3) work with the department of buildings and general services to
12 encourage the enrollment of state employees in a local community supported
13 agriculture (CSA) organization.

14 Sec. 43. FARM-TO-PLATE INVESTMENT PROGRAM

15 IMPLEMENTATION

16 (a) The agency of agriculture, food and markets will work with the
17 Vermont sustainable jobs fund program established under 10 V.S.A. § 328,
18 stakeholders, and other interested parties to implement actions necessary to
19 fulfill the goals of the farm-to-plate investment program as established under
20 10 V.S.A. § 330. The actions will be guided by but not limited to the strategies
21 outlined in the farm-to-plate strategic plan. The agency will develop and

1 maintain a report of the actions undertaken to achieve the goals of the
2 farm-to-plate investment program and the farm-to-plate strategic plan

3 (b) The secretary of agriculture, food and markets may contract with a third
4 party to assist in the efforts of the agency to implement actions and track those
5 activities over time and to develop a report on the progress of the farm-to-plate
6 investment program.

7 Secs. 44-50. [RESERVED]

8 Sec. 51. EFFECTIVE DATES

9 This act shall take effect on passage, except that Secs. 1 (Vermont business
10 partnership incentive); 6 (STEM grant program); and 7 (long-term unemployed
11 grant program) of this act shall take effect on passage and shall be repealed on
12 January 1, 2013.