

1 * * * Vermont Enterprise Investment Fund * * *

2 Sec. 1A. 32 V.S.A. § 136 is added to read:

3 § 136. VERMONT ENTERPRISE INVESTMENT FUND

4 (a) There is created a Vermont Enterprise Investment Fund which shall be
5 administered by the Governor with the approval of the Emergency Board for
6 the purpose of making economic and financial incentives resources available to
7 businesses facing unforeseen or extraordinary circumstances that necessitate
8 State government support and response more rapidly than would otherwise be
9 available from, or that would be in addition to, other economic incentives.

10 (b)(1) The Fund shall be administered by the Commissioner of Finance and
11 Management as a special fund under the provisions of chapter 7, subchapter 5
12 of this title.

13 (2) The Fund shall contain any amounts transferred or appropriated to it
14 by the General Assembly.

15 (3) Interest earned on the Fund and any balance remaining at the end of
16 the fiscal year shall remain in the Fund.

17 (4) The Commissioner shall maintain records that indicate the amount of
18 money in the Fund at any given time.

19 (c) The Governor is authorized to use amounts available in the Fund to
20 offer economic and financial resources packages to an eligible business
21 pursuant to this section, subject to approval by the Emergency Board as
22 provided in subsection (e) of this section.

1 (d) To be eligible for an investment through the Fund, the Governor shall
2 determine that a business:

3 (1) adequately demonstrates:

4 (A) a substantial statewide or regional economic or employment
5 impact; or

6 (B) approval or eligibility for other economic development incentives
7 and programs offered by the State of Vermont; and

8 (2) is experiencing one or more of the following ~~unforeseen or~~
9 ~~extraordinary~~ circumstances:

10 (A) a merger or acquisition ~~by a new owner~~ threatens the closing of
11 all or a portion of a Vermont business, or closure or relocation outside
12 Vermont will cause the loss of employment in Vermont;

13 (B) a prospective purchaser is considering the acquisition of an
14 existing business in Vermont;

15 (C) an existing employer in Vermont, which is a division or
16 subsidiary of a multistate or multinational company, may be closed or have its
17 employment significantly reduced; or

18 (D) is considering Vermont for relocation or expansion.

19 (e)(1) ~~Any economic and financial resources~~ offered by the Governor under
20 this section must be approved by the Emergency Board before an eligible
21 business may receive assistance from the Fund.

22 (2) Subject to approval by the President Pro Tempore of the Senate and
23 the Speaker of the House of Representatives, respectively, the Board in its

1 discretion shall invite the Chair of the Senate Committee on Economic
2 Development, Housing and General Affairs and the Chair of the House
3 Committee on Commerce and Economic Development to participate in Board
4 deliberations under this section in an advisory capacity.

5 (3) The Governor, or his or her designee, shall present to the Emergency
6 Board:

7 (A) information on the company;

8 (B) the circumstances supporting the offer of economic and financial
9 resources;

10 (C) a summary of the economic activity proposed or that would be
11 foregone;

12 (D) other state incentives and programs offered or involved;

13 (E) the economic and financial resources offered by the Governor
14 requiring use of monies from the Fund;

15 (F) employment, investment, and economic impact of Fund support
16 on the employer, including a fiscal cost-benefit analysis; and

17 (G) terms and conditions of the economic and financial resources
18 offered, including:

19 (i) the total dollar amount and form of the economic and financial
20 resources offered;

21 (ii) employment creation, employment retention, and capital
22 investment performance requirements; and

23 (iii) disallowance and recapture provisions.

1 (f) On or before January 15 of each year following a year in which an
2 investment was made pursuant to this section, the Secretary of Administration
3 shall submit to the House Committees on Commerce and Economic
4 Development and on Ways and Means, and to the Senate Committees on
5 Finance and on Economic Development, Housing and General Affairs, a report
6 on each investment made pursuant to this section, including:

7 (1) the name of the investment recipient;

8 (2) the amount of the investment;

9 (3) the aggregate number of jobs created or retained as a result of the
10 investment; and

11 (4) a statement of costs and benefits to the State.

12 **Sec. 1B. CONTINGENT FISCAL YEAR 2014 APPROPRIATION**

13 Prior to any transfer pursuant to Sec. B 1104 of Act 50 of 2013, the first
14 \$5,000,000.00 of FY 2014 funds that would otherwise be transferred to the
15 General Fund Balance Reserve as specified by 32 V.S.A. § 308c shall be
16 appropriated as follows:

17 (1) \$4,500,000.00 to the Vermont Enterprise Investment Fund for the
18 purposes specified in 32 V.S.A. § 136.

19 (2) \$500,000.00 to the Vermont Economic Development Authority for
20 loan loss reserves within the Vermont Entrepreneurial Lending Program for the
21 purposes specified in 10 V.S.A. § 280bb.

22