

VERMONT ENTERPRISE INVESTMENT FUND

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

§ 136. Vermont Enterprise Investment Fund

- (a) There is created a Vermont Enterprise Investment Fund which shall be administered by the Governor with the approval of the Emergency Board for the purpose of making economic and financial incentives available to businesses facing unforeseen or extraordinary circumstances that necessitate state government support and response more rapidly than would otherwise be available from, or in addition to, other economic incentives.
- (b) The Vermont Enterprise Investment Fund is established to be administered by the Secretary of Administration as a special fund under the provisions of subchapter 5 of chapter 7 of Title 32. The fund is established for the purpose of providing economic development assistance to employers whose urgent need necessitates a more rapid response from the state than possible from other state incentives or programs or that are necessary in addition to existing state incentives and programs. The fund shall contain any amounts transferred or appropriated to it by the General Assembly. Interest earned on the fund and any balance remaining at the end of the fiscal year shall remain in the fund. The Secretary of Administration shall maintain records that indicate the amount of money in the fund at any given time.
- (c) All monies received by the fund shall be used to provide urgently needed economic assistance to employers in accordance with the requirements of this section.

- (d) The Governor is authorized to offer incentive packages to businesses pursuant to this section, contingent upon approval by the Emergency Board as provided in subsection (h) of this section.
- (e) Eligibility for economic development assistance from the fund created by this section requires a determination by the Governor that the employer has adequately demonstrated:
 - (1) A substantial statewide or regional economic or employment impact; or
 - (2) Approval or eligibility for other economic development incentives and programs offered by the State of Vermont.
- (f) The Governor may offer economic development incentives to an eligible employer pursuant to this section where the Governor has determined the presence of one or more of the following unforeseen or extraordinary circumstances:
 - (1) Merger or acquisition by a new owner threatens the closing of all or a portion of a Vermont business, or closure or relocation outside Vermont will cause the loss of employment in Vermont.
 - (2) A prospective purchaser is considering the acquisition of an existing business in Vermont.
 - (3) An existing employer in Vermont, which is a division or subsidiary of a multistate or multinational company, may be closed or have its employment significantly reduced.
 - (4) A business is considering Vermont for relocation or expansion.
- (h) The Emergency Board must approve the incentive package offered by the Governor before an eligible employer may receive any assistance from the fund. The Emergency Board

shall meet in executive session for consideration of the incentives and, subject to the concurrence of the Speaker and the President Pro Tem, may invite the attendance of the chairpersons of the Senate and House Committees on Economic Development to serve in an advisory role. The Governor, or his or her designee, shall present to the Emergency Board:

- (1) Information on the company;
- (2) The circumstances supporting the offer of each incentive;
- (3) A summary of the economic activity proposed or that would be foregone;
- (4) Other state incentives and programs offered or involved;
- (5) The incentive package offered by the Governor's requiring use of moneys from the fund;
- (6) Employment, investment, and economic impact of fund support on the employer, including a fiscal cost/benefit analysis; and
- (7) Terms and conditions of the incentive package offered, including:
 - (A) The total dollar amount of the incentive;
 - (B) The form of each incentive;
 - (C) Employment creation, employment retention, and capital investment performance requirements; and
 - (D) Disallowance and recapture provisions.

(i) Any and all materials provided to the Governor by the employer and information and material prepared for the Emergency Board by the Governor for the purposes of this section shall not be subject to public disclosure under the State's public records law in 1 V.S.A. chapter 5, but shall be available to the Joint Fiscal Office or its agent upon authorization of the Joint Fiscal Committee.