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H.692

Introduced by Representatives Botzow of Pownal, Marcotte of Coventry,
Baser of Bristol, Carr of Brandon, Dakin of Colchester,
Kitzmiller of Montpelier, O’Sullivan of Burlington, Parent of
St. Albans Town, Scheuermann of Stowe, Sibia of Dover, and
Stuart of Brattleboro

Referred to Committee on

Date:

Subject: Commerce and trade; economic development

Statement of purpose of bill as introduced: This bill proposes to eliminate the
2017 repeal of the Vermont Employment Growth Incentive (VEGI) program;
to change the payment format for regional planning commissions and regional
development corporations from contracts to grants; and to allow work-based
learning activities through the Vermont Training Program.

An act relating to miscellaneous changes to economic development
programs

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

Sec. 1. 2006 Acts and Resolves No. 184, Sec. 3(a), as amended by 2011 Acts
and Resolves No. 52, Sec. 2, and 2012 Acts and Resolves No. 143, Sec. 20, is
amended to read:

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

4 ~~Unless extended by act of the General Assembly, as of July 1, 2017, no new~~
5 ~~Vermont employment growth incentive (VEGI) awards under 32 V.S.A.~~
6 ~~§ 5930b may be made. Any VEGI awards granted prior to July 1, 2017 may~~
7 ~~remain in effect until used.~~

8 Sec. 2. 24 V.S.A. chapter 76 is amended to read:

9 CHAPTER 76. ECONOMIC DEVELOPMENT PERFORMANCE

10 ~~CONTRACTS~~ GRANTS

11 * * *

12 § 2782. PROPOSALS FOR PERFORMANCE ~~CONTRACTS~~ GRANTS FOR
13 ECONOMIC DEVELOPMENT

14 (a) The Secretary shall annually award performance ~~contracts~~ grants to
15 qualified regional development corporations, regional planning commissions,
16 or both in the case of a joint proposal, to provide economic development
17 services under this chapter.

18 (b) A proposal shall be submitted in response to a request for proposals
19 issued by the Secretary.

20 (c) The Secretary may require that a service provider submit with a
21 proposal, or subsequent to the filing of a proposal, additional supportive data

1 or information that he or she considers necessary to make a decision to award
2 or to assess the effectiveness of a performance ~~contract~~ grant.

3 § 2783. ELIGIBILITY FOR PERFORMANCE ~~CONTRACTS~~ GRANTS

4 Upon receipt of a proposal for a performance ~~contract~~ grant, the Secretary
5 shall within 60 days determine whether or not the service provider may be
6 awarded a performance ~~contract~~ grant under this chapter. The Secretary shall
7 enter into a performance ~~contract~~ grant with a service provider if the Secretary
8 finds:

9 (1) the service provider serves an economic region generally consistent
10 with one or more of the State's regional planning commission regions;

11 (2) the service provider demonstrates the ability and willingness to
12 provide planning and resource development services to local communities and
13 to assist communities in evaluating economic conditions and prepare for
14 economic growth and stability;

15 (3) the service provider demonstrates an ability to gather economic and
16 demographic information concerning the area served;

17 (4) the service provider has, or demonstrates it will be able to secure,
18 letters of support from the legislative bodies of the affected municipalities;

19 (5) the service provider demonstrates a capability and willingness to
20 assist existing business and industry, to encourage the development and growth
21 of small business, and to attract industry and commerce;

1 (6) the service provider appears to be the best qualified service provider
2 from the region to accomplish and promote economic development;

3 (7) the service provider needs the performance ~~contract-award~~ grant and
4 that the performance ~~contract-award~~ grant will be used for the employment of
5 professional persons or expenses consistent with performance ~~contract~~ grant
6 provisions, or both;

7 (8) the service provider presents an operating budget and has adequate
8 funds available to match the performance ~~contract-award~~ grant;

9 (9) the service provider demonstrates a willingness to involve the public
10 of the region in its policy-making process by offering membership to
11 representatives of all municipalities in the economic region which shall elect
12 the directors of the governing board;

13 (10) the service provider demonstrates a willingness to coordinate its
14 activities with the planning functions of any regional planning commission
15 located in the same geographic area as the service provider.

16 § 2784. TERMS OF PERFORMANCE ~~CONTRACTS~~ GRANTS

17 (a)(1) Funds available ~~under~~ through a performance ~~contract~~ grant may
18 only be used by an applicant to perform the duties or provide the services ~~set~~
19 ~~forth~~ specified in the performance ~~contract~~ grant.

20 (2) The amount and terms of the performance ~~contract-award~~ grant shall
21 be determined by the ~~parties to the contract~~ Secretary.

1 (b) A performance ~~contract~~ grant shall be made for a period ~~agreed to by~~
2 ~~the parties~~ specified by the grant.

3 (c) Payments to a service provider shall be made pursuant to the terms of
4 the performance ~~contract~~ grant.

5 § 2784a. PLANS

6 A service provider awarded a performance ~~contract~~ grant under this chapter
7 shall conduct its activities under subdivision 2784(a)(1) of this title consistent
8 with local and regional plans.

9 * * *

10 § 2786. APPLICABILITY OF STATE LAWS

11 (a) A service provider awarded a performance ~~contract~~ grant by the
12 Secretary under this chapter shall be subject to 1 V.S.A. chapter 5, subchapter
13 2 (open meetings) and 1 V.S.A. chapter 5, subchapter 3 (public records),
14 except that in addition to any limitation provided in subchapter 2 or 3:

15 (1) no person shall disclose any information relating to a proposed
16 transaction or agreement between the service provider and another person, in
17 furtherance of the service provider's public purposes under the law, prior to
18 final execution of such transaction or agreement; and

19 (2) meetings of the service provider's board to consider such proposed
20 transactions or agreements may be held in executive session under 1 V.S.A.
21 § 313.

1 (b) Nothing in this section shall be construed to limit the exchange of
2 information between or among regional development corporations or regional
3 planning commissions concerning any activity of the corporations and the
4 commissions, provided that such information shall be subject to the provisions
5 of subsection (a) of this section.

6 (c) The provisions of 2 V.S.A. chapter 11 (registration of lobbyist) shall
7 apply to regional development corporations and regional planning
8 commissions.

9 * * *

10 Sec. 3. 24 V.S.A. § 4341a is amended to read:

11 § 4341a. ~~PERFORMANCE CONTRACTS~~ GRANTS FOR REGIONAL
12 PLANNING SERVICES

13 (a) The Secretary of Commerce and Community Development shall
14 ~~negotiate and enter into performance contracts with~~ issue performance grants
15 to regional planning commissions, or ~~with~~ to regional planning commissions
16 and regional development corporations in the case of a joint ~~contract~~ grant, to
17 provide regional planning services.

18 (b) A performance ~~contract~~ grant shall address how the regional planning
19 commission, or regional planning commission and regional development
20 corporation jointly, will improve results and achieve savings compared with
21 the current regional service delivery system, which may include:

1 technical center may apply to the Program for a grant to offset the costs the
2 employer incurs for the work-based learning program or activity, including the
3 costs of transportation, curriculum development, and materials.

4 * * *

5 (k) Annually on or before January 15, the Secretary shall submit a report to
6 the House Committee on Commerce and Economic Development and the
7 Senate Committee on Economic Development, Housing and General Affairs.
8 In addition to the reporting requirements under section 540 of this title, the
9 report shall identify:

10 (1) all active and completed contracts and grants;

11 (2) from among the following, the category the training addressed:

12 (A) preemployment training or other training for a new employee to
13 begin a newly created position with the employer;

14 (B) preemployment training or other training for a new employee to
15 begin in an existing position with the employer;

16 (C) training for an incumbent employee who, upon completion of
17 training, assumes a newly created position with the employer;

18 (D) training for an incumbent employee who upon completion of
19 training assumes a different position with the employer;

20 (E) training for an incumbent employee to upgrade skills;

- 1 (3) for the training identified in subdivision (2) of this subsection
2 whether the training is onsite or classroom-based;
- 3 (4) the number of employees served;
- 4 (5) the average wage by employer;
- 5 (6) any waivers granted;
- 6 (7) the identity of the employer, or, if unknown at the time of the report,
7 the category of employer;
- 8 (8) the identity of each training provider; ~~and~~
- 9 (9) whether training results in a wage increase for a trainee, and the
10 amount of increase; and
- 11 (10) the number, type, and description of grants for work-based learning
12 programs and activities awarded pursuant to subsection (e) of this section.

13 Sec. 5. EFFECTIVE DATE

14 This act shall take effect on July 1, 2016.