

H.754

Introduced by Representatives O'Sullivan of Burlington, Baser of Bristol,  
Botzow of Pownal, Carr of Brandon, Dakin of Colchester,  
Kitzmiller of Montpelier, Marcotte of Coventry, 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 restate in  
plain language the statutory provisions governing the Vermont Economic  
Progress Council and the Vermont Employment Growth Incentive (VEGI)  
Program.

An act relating to the Vermont Economic Progress Council and the  
Vermont Employment Growth Incentive Program

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

Sec. 1. 10 V.S.A. chapter 4 is added to read:

CHAPTER 4. ECONOMIC DEVELOPMENT INCENTIVES

Subchapter 1. Vermont Economic Progress Council

1     § 25. VERMONT ECONOMIC PROGRESS COUNCIL

2         (a) Creation. The Vermont Economic Progress Council is created to  
3     exercise the authority and perform the duties assigned to it, including its  
4     authority and duties relating to:

5             (1) the Vermont Employment Growth Incentive Program pursuant to  
6     subchapter 2 of this chapter; and

7             (2) property tax stabilization, tax exemption, and tax increment  
8     financing districts pursuant to 24 V.S.A. chapter 53, subchapter 5 and  
9     32 V.S.A. § 5404a.

10        (b) Membership.

11           (1) The Council shall have 11 voting members:

12                (A) nine residents of the State appointed by the Governor with the  
13     advice and consent of the Senate who are knowledgeable and experienced in  
14     the subjects of community development and planning, education funding  
15     requirements, economic development, State fiscal affairs, property taxation, or  
16     entrepreneurial ventures, and represent diverse geographical areas of the State  
17     and municipalities of various sizes;

18                (B) one member of the Vermont House of Representatives appointed  
19     by the Speaker of the House; and

20                (C) one member of the Vermont Senate appointed by the Senate  
21     Committee on Committees.

1           (2)(A) The Council shall have two regional members from each region  
2           of the State, one appointed by the regional development corporation of the  
3           region and one appointed by the regional planning commission of the region.

4           (B) A regional member shall be a nonvoting member and shall serve  
5           during consideration by the Council of an application from his or her region.

6           (c) Terms.

7           (1) Members of the Council appointed by the Governor shall serve  
8           initial staggered terms with five members serving four-year terms, and four  
9           members serving two-year terms.

10          (2) After the initial term expires, a member's term is four years and a  
11          member may be reappointed.

12          (3) A term commences on April 1 of each odd-numbered year.

13          (d) Compensation.

14          (1) For attendance at a meeting and for other official duties, a member  
15          appointed by the Governor shall be entitled to compensation for services and  
16          reimbursement of expenses as provided in 32 V.S.A. § 1010, except that a  
17          member who is a member of the General Assembly shall be entitled to  
18          compensation for services and reimbursement of expenses as provided in  
19          2 V.S.A. § 406.

20          (2) A regional member who does not otherwise receive compensation  
21          and reimbursement of expenses from his or her regional development or

1 planning organization shall be entitled to compensation and reimbursement of  
2 expenses for attendance at meetings and for other official duties as provided in  
3 32 V.S.A. § 1010.

4 (e) Operation.

5 (1) The Governor shall appoint a chair from the Council's members.

6 (2) The Council shall receive administrative support from the Agency of  
7 Commerce and Community Development and the Department of Taxes.

8 (3) The Council shall have:

9 (A) an executive director appointed by the Governor with the advice  
10 and consent of the Senate, who is knowledgeable in subject areas of the  
11 Council's jurisdiction and who is an exempt State employee; and

12 (B) administrative staff.

13 (f) Rulemaking authority. The Council shall have the authority to adopt  
14 policies and procedures as necessary, and to adopt rules under 3 V.S.A. chapter  
15 25, to implement the provisions of this chapter.

16 (g) Decisions not subject to review. A decision of the Council to approve  
17 or deny an application under subchapter 2 of this chapter, or to approve or  
18 deny a property tax stabilization agreement, tax exemption, or tax increment  
19 financing district pursuant to 24 V.S.A. chapter 53, subchapter 5 and 32 V.S.A.  
20 § 5404a, is an administrative decision that is not subject to the contested case

1 hearing requirements under 3 V.S.A. chapter 25 and is not subject to judicial  
2 review.

3 Subchapter 2. Vermont Employment Growth Incentive Program

4 § 31. PURPOSE; FORM OF INCENTIVES; ELIGIBLE APPLICANT;

5 PROGRAM CAPS

6 (a) Purpose. The purpose of the Vermont Employment Growth Incentive  
7 Program is to encourage a business to add new payroll, create new jobs, and  
8 make new capital investments by sharing with the business a portion of the  
9 revenue generated by the new payroll, new jobs, and new capital investment.

10 (b) Form of incentives; enhanced incentives.

11 (1) The Vermont Economic Progress Council may approve an incentive  
12 under this subchapter in the form of:

13 (A) a direct cash payment in annual installments; or

14 (B) a combination of direct cash payment and property tax  
15 stabilization pursuant to a property tax stabilization agreement approved by a  
16 municipality under 32 V.S.A. § 5404a.

17 (2) The Council may approve the following enhanced incentives:

18 (A) an enhanced incentive for a business in a labor market area with  
19 higher than average unemployment or lower than average wages pursuant to  
20 section 34 of this title;

1           (B) an enhanced incentive for an environmental technology business  
2           pursuant to section 35 of this title; and

3           (C) an enhanced incentive for a business that participates in a State  
4           workforce training program pursuant to section 36 of this title.

5           (c) Eligible applicant.

6           (1) Only a business may apply for an incentive in the form of a direct  
7           cash payment.

8           (2) A business and a municipality shall apply jointly for an incentive in  
9           the combined form of a direct cash payment and property tax stabilization.

10          (d) Annual Program cap.

11          (1) Except as otherwise provided in subdivision (2) of this subsection, in  
12          each calendar year the Council may approve one or more incentives under this  
13          subchapter, the total value of which shall not exceed \$10,000,000.00 from the  
14          General Fund and Education Fund combined.

15          (2) The Council may exceed the cap imposed in subdivision (1) of this  
16          subsection upon application to and approval by the Emergency Board.

17          § 32. APPLICATION; APPROVAL CRITERIA; GUIDELINES

18          (a) Application.

19          (1) A business may apply for an incentive for not more than five  
20          consecutive award years by submitting an application to the Council in the  
21          format the Council specifies for that purpose.

1           (2) For each award year the business applies for an incentive, the  
2           business shall specify a payroll performance requirement, a jobs performance  
3           requirement, a capital investment performance requirement, and any other  
4           information the Council requires to evaluate the application under this  
5           subchapter.

6           (b) Mandatory criteria. The Council may approve an application if it finds:

7           (1) Except as otherwise provided for an enhanced incentive for a  
8           business in a qualifying labor market area under section 34 of this title, the new  
9           revenue the proposed activity generates to the State exceeds the costs of the  
10          activity to the State.

11          (2) The host municipality welcomes the new business.

12          (3) The proposed economic activity conforms to applicable town and  
13          regional plans.

14          (4) If the business proposes to expand within a limited local market, an  
15          incentive would not give the business an unfair competitive advantage over  
16          other Vermont businesses in the same or similar line of business and in the  
17          same limited local market.

18          (5) Without the incentive, the proposed economic activity:

19               (A) would not occur; or

20               (B) would occur in a significantly different manner that is less  
21          desirable to the State.

1     § 33. CALCULATING THE VALUE OF AN INCENTIVE

2         Except as otherwise provided for an enhanced incentive for a business in a  
3         qualifying labor market area under section 34 of this title, an enhanced  
4         incentive for an environmental technology business under section 35 of this  
5         title, or an enhanced incentive for workforce training under section 36 of this  
6         title, the Council shall calculate the value of an incentive for an award year as  
7         follows:

8             (1) Calculate new revenue growth. To calculate new revenue growth,  
9             the Council shall determine the amount by which the new revenue generated  
10            by the proposed economic activity to the State exceeds the costs of the activity  
11            to the State.

12            (2) Calculate the business's potential share of new revenue growth.  
13         Except as otherwise provided for an environmental technology business in  
14         section 35 of this title, to calculate the business's potential share of new  
15         revenue growth, the Council shall multiply the new revenue growth determined  
16         under subdivision (1) of this subsection by 80 percent.

17            (3) Calculate the incentive percentage. To calculate the "incentive  
18         percentage," the Council shall divide the business's potential share of new  
19         revenue growth by the sum of the business's annual payroll performance  
20         requirements.



1           (4) Calculate qualifying payroll. To calculate qualifying payroll, the  
2           Council shall:

3                   (A) determine the background growth rate in payroll for the  
4           applicable business sector in the award year;

5                   (B) multiply the business's full-time payroll for the award year by the  
6           background growth rate; and

7                   (C) subtract the product from the payroll performance requirement  
8           for the award year.

9           (5) Calculate the total value of the incentive. To calculate the total  
10          value of the incentive, the Council shall multiply qualifying payroll by the  
11          incentive percentage.

12           (6) Calculate the amount of the annual installment payments. To  
13          calculate the amount of the annual installment payments, the Council shall:

14                   (A) subtract from the total value of the incentive the amount of any  
15          applicable property tax stabilization agreement;

16                   (B) divide the difference by five; and

17                   (C) adjust the value of the first installment payment so that it is  
18          proportional to the actual number of days that new qualifying employees are  
19          employed in the first year of hire.

1     § 34. ENHANCED INCENTIVE FOR A BUSINESS IN A QUALIFYING  
2             LABOR MARKET AREA

3             (a) For a business that is located in a labor market area in which the  
4             average annual unemployment rate is greater than the average annual  
5             unemployment rate for the State, or in which the average annual wage is below  
6             the average annual wage for the State, the Council may increase the incentive  
7             percentage otherwise calculated pursuant to subdivision 33(3) of this title.

8             (b) Except as otherwise provided in subsection (c) of this section, in each  
9             calendar year the Council may approve one or more incentives pursuant to this  
10            section, the total value of which shall not exceed \$1,000,000.00 from the  
11            General Fund and Education Fund combined.

12            (c) The Council may exceed the cap imposed in subsection (b) of this  
13            section upon application to and approval by the Emergency Board.

14     § 35. ENHANCED INCENTIVE FOR ENVIRONMENTAL TECHNOLOGY  
15             BUSINESS

16             (a) In this section, an “environmental technology business” means a  
17             business that:

18                 (1) is subject to income taxation in Vermont; and

19                 (2) seeks an incentive for economic activity in Vermont that the  
20             Secretary of Commerce and Community Development certifies is primarily

1 research, design, engineering, development, or manufacturing related to one or  
2 more of the following:

3 (A) waste management, including waste collection, treatment,  
4 disposal, reduction, recycling, and remediation;

5 (B) natural resource protection and management, including water and  
6 wastewater purification and treatment, air pollution control and prevention or  
7 remediation, soil and groundwater protection or remediation, and hazardous  
8 waste control or remediation;

9 (C) energy efficiency or conservation;

10 (D) clean energy, including solar, wind, wave, hydro, geothermal,  
11 hydrogen, fuel cells, waste-to-energy, or biomass.

12 (b) The Council shall consider and administer an application from an  
13 environmental technology business pursuant to the provisions of this  
14 subchapter, except that:

15 (1) the business's potential share of new revenue growth shall be 90  
16 percent; and

17 (2) to calculate qualifying payroll, the Council shall:

18 (A) determine the background growth rate in payroll for the  
19 applicable business sector in the award year;

20 (B) multiply the business's full-time payroll for the award year by  
21 20 percent of the background growth rate; and

1           (C) subtract the product from the payroll performance requirement  
2           for the award year.

3           § 36. ENHANCED INCENTIVE FOR WORKFORCE TRAINING

4           (a) A business whose application is approved may elect to claim the  
5           incentive specified for an award year as an enhanced training incentive by:

6                   (1) notifying the Council of its intent to pursue an enhanced training  
7                   incentive and dedicate its incentive funds to training through the Vermont  
8                   Training Program; and

9                   (2) applying for a grant from the Vermont Training Program to perform  
10                  training for one or more new employees who hold qualifying jobs.

11           (b) If a business is awarded a grant for training under this section, the  
12           Agency of Commerce and Community Development shall disburse grant funds  
13           for on-the-job training of 75 percent of wages for each employee in training, or  
14           75 percent of trainer expense, and the business shall be responsible for the  
15           remaining 25 percent of the applicable training costs.

16           (c) If the business successfully completes its training and earns the  
17           incentive for the award year for which the business elects an enhanced training  
18           incentive, the Council shall approve the enhanced training incentive and notify  
19           the Department of Taxes.

1        (d) Upon notification by the Council, the Department of Taxes:

2            (1) shall disburse to the business a payment in an amount equal to  
3        25 percent of the cost for training expenses pursuant to subsection (b) of this  
4        section;

5            (2) shall disburse to the Agency of Commerce and Community  
6        Development a payment in an amount equal to 25 percent of the cost for  
7        training expenses pursuant to subsection (b) of this section; and

8            (3) shall disburse the remaining value of the incentive in annual  
9        installments pursuant to section 37 of this title.

10        § 37. EARNING AN INCENTIVE

11        (a) Earning an incentive; installment payments.

12            (1) A business with an approved application earns the incentive  
13        specified for an award year if, within the applicable time period provided in  
14        subsections (b)–(d) of this section, the business:

15            (A) meets or exceeds the payroll performance requirement specified  
16        for the award year; and

17            (B) meets or exceeds the jobs performance requirement specified for  
18        the award year or the capital investment performance requirement specified for  
19        the award year, or both.

20            (2) A business that earns an incentive specified for an award year is  
21        eligible to receive an installment payment and any applicable property tax

1 stabilization for the year in which it earns the incentive and for each of the next  
2 four years in which the business maintains or exceeds the performance  
3 requirements specified for the award year.

4 (b) Award years one, two, and three.

5 (1) For award year one, beginning on the date the proposed economic  
6 activity commences, a business has three years to meet the performance  
7 requirements specified for the award year.

8 (2) For award year two and award year three, beginning on January 1 of  
9 the award year, a business has three years to meet the performance  
10 requirements specified for the award year.

11 (3) A business that does not meet the performance requirements  
12 specified for award year one, for award year two, or for award year three  
13 within three years becomes ineligible to earn incentives for the award year and  
14 for all remaining award years in the award period.

15 (c) Extending the earning period in award years one and two.

16 Notwithstanding subsection (b) of this section:

17 (1) Upon request, the Council may extend the three-year period to earn  
18 an incentive for award year one or award year two if it determines:

19 (A) a business did not earn the incentive for the award year due to  
20 facts or circumstances beyond its control; and

1           (B) there is a reasonable likelihood the business will earn the  
2           incentive within the extended period.

3           (2) The Council may extend the period to earn an incentive:

4                 (A) for award year one, by two years, reviewed annually; or

5                 (B) for award year two, by one year.

6           (3) If the Council extends the period to earn an incentive, it shall  
7           recalculate the value of the incentive using the cost-benefit model and shall  
8           adjust the amount of the incentive as is necessary to account for the extension.

9           (d) Award year four.

10           (1) Beginning on January 1 of award year four, a business that remains  
11           eligible to earn incentives has two years to meet the performance requirements  
12           specified for award year four.

13           (2) A business that does not meet the performance requirements  
14           specified for award year four within two years becomes ineligible to earn  
15           incentives for award year four and award year five.

16           (e) Award year five.

17           (1) Beginning on January 1 of award year five, a business that remains  
18           eligible to earn incentives has one year to meet the performance requirements  
19           specified for award year five.

1           (2) A business that does not meet the performance requirements  
2           specified for award year five by the end of that award year becomes ineligible  
3           to earn the incentive specified for that award year.

4           (f) Carrying forward growth that exceeds targets. If a business exceeds the  
5           payroll performance requirement, the jobs performance requirement, or the  
6           capital investment performance requirement specified for an award year, the  
7           business may apply the excess payroll, excess jobs, or excess capital  
8           investment toward the performance requirement specified for a future award  
9           year, provided that the business maintains the excess payroll, excess jobs, or  
10          excess capital investment into the future award year.

11          § 38. CLAIMING AN INCENTIVE; ANNUAL FILING WITH

12                 DEPARTMENT OF TAXES

13          (a) On or before April 30 following each year of the utilization period, a  
14          business with an approved application shall submit an incentive to the  
15          Department of Taxes.

16          (b) A business shall include in its the information the Department requires,  
17          including the information required in 32 V.S.A. § 5842 and other  
18          documentation concerning payroll, jobs, and capital investment necessary to  
19          determine whether the business earned the incentive specified for an award  
20          year and any installment payment or property tax stabilization, or both, for  
21          which the business is eligible.



1        (c) The Department may consider an incomplete to be timely filed if the  
2        business files a complete within the additional time allowed by the Department  
3        in its discretion.

4        (d) Upon reviewing a complete claim, the Department shall:

5            (1) notify the business, the Council, the Treasurer, and any municipality  
6            with which the business has a property tax stabilization agreement whether the  
7            business is entitled to an installment payment or property tax stabilization for  
8            the applicable year; and

9            (2) make an installment payment and confirm the business receives tax  
10          stabilization to which the business is entitled.

11        § 39. RECAPTURE; REDUCTION; REPAYMENT

12          (a) Recapture.

13            (1) The Department of Taxes may recapture the value of installment  
14            payments and property tax stabilization a business has claimed, with  
15            interest, if:

16            (A) the business fails to file a claim as required in section 38 of this  
17            title; or

18            (B) during the utilization period the business experiences:

19            (i) a 90 percent or greater reduction in the number of full-time  
20            Vermont jobs held by non-owners at the time of application, including any

1 employees laid off or otherwise terminated in the six months prior to  
2 application; or

3 (ii) if it had no jobs at the time of application, a 90 percent or  
4 greater reduction from the sum of its job performance requirements.

5 (2) Notwithstanding any other statute of limitations, the Department  
6 may commence a proceeding to recapture amounts under subdivision (1) of  
7 this subsection as follows:

8 (A) under subdivision (1)(A) of this subsection, no later than three  
9 years from the last day of the utilization period; and

10 (B) under subdivision (1)(B) of this subsection, no later than three  
11 years from date the business experiences the reduction in jobs, or three years  
12 from the last day of the utilization period, whichever occurs first.

13 (3) If the Department determines that a business is subject to recapture  
14 under subdivision (1) of this subsection, the business becomes ineligible to  
15 apply for, earn, or claim an additional incentive or installment payment under  
16 this subchapter and the business's property becomes ineligible for property tax  
17 stabilization under 32 V.S.A. § 5404a.

18 (b) Reduction; repayment. If a business fails to make capital investments  
19 that equal or exceed the sum of its capital investment performance  
20 requirements by the end of the award period:

1           (1) The Department shall:

2                   (A) calculate a reduced incentive by multiplying the combined value  
3           of the business's award period incentives by the same proportion that the  
4           business's total actual capital investments bear to the sum of its capital  
5           investment performance requirements; and

6                   (B) reduce the value of any remaining installment payments and tax  
7           stabilization for which the business is eligible by the same proportion.

8           (2) If the value of the installment payments and tax stabilization the  
9           business has already received exceeds the value of the reduced incentive, then:

10                   (A) the business becomes ineligible to claim any additional  
11           installment payments for the award period and the business's property  
12           becomes ineligible for property tax stabilization under 32 V.S.A. § 5404a for  
13           the award period; and

14                   (B) the business shall repay to the Department of Taxes with its final  
15           claim the amount by which the value of the installment payments and tax  
16           stabilization the business has already received exceeds the value of the reduced  
17           incentive.

18           § 40. REPORTING

19                   (a) On or before September 1 of each year, the Vermont Economic  
20           Progress Council and the Department of Taxes shall submit a joint report on  
21           the incentives authorized in this subchapter to the House Committees on Ways

1 and Means, on Commerce and Economic Development, and on  
2 Appropriations, to the Senate Committees on Finance, on Economic  
3 Development, Housing and General Affairs, and on Appropriations, and to the  
4 Joint Fiscal Committee.

5 (b) The Council and the Department shall include in the joint report:

6 (1) the total amount of incentives authorized during the preceding year;

7 (2) with respect to each business with an approved application:

8 (A) the date and amount of authorization;

9 (B) the calendar year or years in which the authorization is expected  
10 to be exercised;

11 (C) whether the authorization is active;

12 (D) the date the authorization will expire; and

13 (3) the following aggregate information:

14 (A) the number of claims and incentive payments made in the current  
15 and prior claim years;

16 (B) the number of qualifying jobs; and

17 (C) the amount of new payroll and capital investment.

18 (c) The Council and the Department shall present data and information in  
19 the joint report in a searchable format.

1     § 41. CONFIDENTIALITY OF PROPRIETARY BUSINESS

2             INFORMATION

3             (a) The Council and the Department shall use measures to protect  
4     proprietary financial information, including reporting information in an  
5     aggregate form.

6             (b) Information and materials submitted by a business concerning its  
7     income taxes and other confidential financial information shall not be subject  
8     to public disclosure under the State's public records law in 1 V.S.A. chapter 5,  
9     but shall be available to the Joint Fiscal Office or its agent upon authorization  
10    of the Joint Fiscal Committee or a standing committee of the General  
11    Assembly, and shall also be available to the Auditor of Accounts in connection  
12    with the performance of duties under 32 V.S.A. § 163; provided, however, that  
13    the Joint Fiscal Office or its agent, and the Auditor of Accounts, shall not  
14    disclose, directly or indirectly, to any person any proprietary business  
15    information or any information that would identify a business except in  
16    accordance with a judicial order or as otherwise specifically provided by law.

17            (c) Nothing in this section shall be construed to prohibit the publication of  
18    statistical information, rulings, determinations, reports, opinions, policies, or  
19    other information so long as the data are disclosed in a form that cannot  
20    identify or be associated with a particular business.

1     § 42. DEFINITIONS

2         In this subchapter:

3             (1) “Award period” means the consecutive five years during which a  
4     business may apply for an incentive under this subchapter.

5             (2) “Capital investment performance requirement” means the minimum  
6     value of investment in one or more capital improvements, including facilities,  
7     machinery, and equipment, that a business must make in an award year.

8             (3) “Jobs performance requirement” means the minimum number of  
9     qualifying jobs a business must add in an award year.

10            (4) “Labor market area” means a labor market area as designated by the  
11     Vermont Department of Labor.

12            (5) “Non-owner” means a person with no more than 10 percent  
13     ownership interest, including attribution of ownership interests of the person’s  
14     spouse, parents, spouse’s parents, siblings, and children.

15            (6) “Payroll performance requirement” means the minimum value of  
16     new payroll for qualifying jobs a business must add in an award year.

17            (7) “Qualifying job” means a new, permanent position in Vermont that  
18     meets each of the following criteria:

19                 (A) The position will be filled by a non-owner employee who  
20     regularly works at least 35 hours each week.

1           (B) The business provides compensation for the position in an  
2           amount that meets or exceeds the wage threshold.

3           (C) The business provides for the position at least three of the  
4           following:

5                   (i) health care benefits with 50 percent or more of the premium  
6           paid by the business;

7                   (ii) dental assistance;

8                   (iii) paid vacation;

9                   (iv) paid holidays;

10                  (v) child care;

11                  (vi) other extraordinary employee benefits;

12                  (vii) retirement benefits;

13                  (viii) other paid time off, including paid sick days.

14           (D) The position is not an existing position that the business transfers  
15           from another facility within the State.

16           (E) When the position is added to the number of the business's  
17           full-time employees at the time of application, the business's total employment  
18           exceeds its average annual employment during the two preceding years, unless  
19           the Council determines that the business is establishing a significantly different  
20           new line of business and creating new jobs in the new line of business that  
21           were not part of the business prior to filing its application.

1           (8) “Utilization period” means each year of the award period and the  
2           four years immediately following each year of the award period.

3           (9) “Vermont gross wages and salaries” means Medicare wages as  
4           reported on Federal Tax Form W-2 to the extent those wages are Vermont  
5           wages, excluding income from nonstatutory stock options.

6           (10) “Wage threshold” means the minimum amount of annualized  
7           Vermont gross wages and salaries a business must pay for a qualifying job, as  
8           required by the Council in its discretion, but not less than:

9                   (A) 60 percent above the State minimum wage at the time of  
10           application; or

11                   (B) for a business located in a labor market area in which the average  
12           annual unemployment rate is higher than the average annual unemployment  
13           rate for the State, 40 percent above the State minimum wage at the time of  
14           application.

15       Sec. 2. 10 V.S.A. § 531(d)(2) is amended to read:

16           (2) disburse grant funds only for training hours that have been  
17       successfully completed by employees; provided that, except for an award  
18       under an enhanced ~~training~~ incentive for workforce training as provided in  
19       ~~32 V.S.A. § 5930b(h)~~ section 36 of this title, a grant for on-the-job training  
20       shall either provide not more than 50 percent of wages for each employee in  
21       training, or not more than 50 percent of trainer expense, but not both, and



1 further provided that training shall be performed in accordance with a training  
2 plan that defines the subject of the training, the number of training hours, and  
3 how the effectiveness of the training will be evaluated; and

4 Sec. 3. 21 V.S.A. § 1314(e)(1) is amended to read:

5 (e)(1) Subject to such restrictions as the Board may by regulation prescribe,  
6 information from unemployment insurance records may be made available to  
7 any public officer or public agency of this or any other state or the federal  
8 government dealing with the administration or regulation of relief, public  
9 assistance, unemployment compensation, a system of public employment  
10 offices, wages and hours of employment, workers' compensation,  
11 misclassification or miscoding of workers, occupational safety and health, or a  
12 public works program for purposes appropriate to the necessary operation of  
13 those offices or agencies. The Commissioner may also make information  
14 available to colleges, universities, and public agencies of the State for use in  
15 connection with research projects of a public service nature, and to the  
16 Vermont Economic Progress Council with regard to the administration of  
17 ~~32 V.S.A. chapter 151, subchapter 11E~~ 10 V.S.A. chapter 4, subchapter 2; but  
18 no person associated with those institutions or agencies may disclose that  
19 information in any manner that would reveal the identity of any individual or  
20 employing unit from or concerning whom the information was obtained by  
21 Commissioner.

\* \* \*

Sec. 4. 32 V.S.A. § 3102(e)(11) is amended to read:

(11) To the Joint Fiscal Office or its agent, provided that the disclosure relates to a successful business applicant under ~~section 5930a of this title~~ 10 V.S.A. chapter 4, subchapter 2 and the ~~tax~~ incentive it has claimed and is reasonably necessary for the Joint Fiscal Office or its agent to perform the duties authorized by the Joint Fiscal Committee or a standing committee of the General Assembly under ~~subsection 5930a(h) that subchapter~~; to the Auditor of Accounts for the performance of duties under section 163 of this title; to the Department of Economic Development for the purposes of subsection 5922(f) of this title; and to the Vermont Economic Progress Council, provided that the disclosure relates to a successful business applicant under ~~sections 5930a and 5930b of this title~~ 10 V.S.A. chapter 4, subchapter 2 and the ~~tax~~ incentive it has claimed and is reasonably necessary for the ~~council~~ Council to perform its duties under ~~sections 5930a and 5930b that subchapter~~.

Sec. 5. 32 V.S.A. § 5401(10) is amended to read:

(10) "Nonresidential property" means all property except:

\* \* \*

~~(H) Real property, excluding land, consisting of unoccupied new facilities, or unoccupied facilities under renovation or expansion, owned by a business that has obtained the approval of the Vermont Economic Progress~~

1 ~~Council under section 5930a of this title that is less than 75 percent complete,~~  
2 ~~not in use as of April 1 of the applicable tax year, and for a period not to~~  
3 ~~exceed two years. [Repealed.]~~

4 ~~(I) Real property consisting of the value of remediation expenditures~~  
5 ~~incurred by a business that has obtained the approval of the Vermont~~  
6 ~~Economic Progress Council under section 5930a of this title for the~~  
7 ~~construction of new, expanded, or renovated facilities on contaminated~~  
8 ~~property eligible under the redevelopment of contaminated properties program~~  
9 ~~pursuant to 10 V.S.A. § 6615a(f), including supporting infrastructure, on sites~~  
10 ~~eligible for the United States Environmental Protection Agency “Brownfield~~  
11 ~~Program,” for a period of 10 years. [Repealed.]~~

12 \* \* \*

13 Sec. 6. 32 V.S.A. § 5404a is amended to read:

14 § 5404a. PROPERTY TAX STABILIZATION AGREEMENTS; TAX  
15 INCREMENT FINANCING DISTRICTS

16 (a) Tax agreements and exemptions affecting the education property tax  
17 grand list. A tax agreement or exemption shall affect the education property  
18 tax grand list of the municipality in which the property subject to the  
19 agreement is located if the agreement or exemption is:

1 (1) A prior agreement, meaning that it was:

2 (A) a property tax stabilization agreement for any purpose authorized  
3 under 24 V.S.A. § 2741 or comparable municipal charter provisions entered  
4 into or proposed and voted by the municipality before July 1, 1997, or a  
5 property tax exemption adopted by vote pursuant to chapter 125 of this title or  
6 comparable municipal charter provisions before July 1, 1997; or

7 (B) an agreement relating to property sold or transferred by the New  
8 England Power Company of its Connecticut River system and its facilities  
9 along the Deerfield River which was warned before September 1, 1997.

10 (2) A property tax stabilization agreement relating to industrial or  
11 commercial property entered into under 24 V.S.A. § 2741, or comparable  
12 municipal charter provisions or an exemption for the purposes of economic  
13 development adopted by vote under sections 3834 (factories; quarries; mines),  
14 3836 (private homes and dwellings), 3837 (airports), or 3838 (hotels) of this  
15 title or comparable municipal charter provisions after June 30, 1997 if  
16 subsequently approved by the Vermont Economic Progress Council pursuant  
17 to this subsection and ~~section 5930a of this title~~ 10 V.S.A. chapter 4,  
18 subchapter 2. An agreement or exemption may be approved by the Vermont  
19 Economic Progress Council only if it has first been approved by the  
20 municipality in which the property is located with respect to the municipal tax  
21 liability of the property in that municipality. Any agreement or exemption

1 approved by the Vermont Economic Progress Council may not affect the  
2 education tax liability of the property in a greater proportion than the  
3 agreement or exemption affects the municipal tax liability of the property. A  
4 municipality's approval of an agreement or exemption under this subsection  
5 may be made conditional upon approval of the agreement or exemption by the  
6 Vermont Economic Progress Council. The legislative body of the municipality  
7 in which the property subject to the agreement or exemption is located or the  
8 business that is subject to the agreement or exemption may request the  
9 Vermont Economic Progress Council to approve an agreement or exemption  
10 pursuant to ~~section 5930a of this title~~ 10 V.S.A. chapter 4, subchapter 2. The  
11 Council shall also report to the General Assembly on the terms of the  
12 agreement or exemption, and the effect of the agreement or exemption on the  
13 education property tax grand list of the municipality and of the State. If so  
14 approved by the Council, an agreement or exemption shall be effective to  
15 reduce the property tax liability of the municipality under this chapter  
16 beginning on April 1 of the year following approval.

17 \* \* \*

18 (b) An agreement affecting the education property tax grand list defined  
19 under subsection (a) of this section shall reduce the municipality's education  
20 property tax liability under this chapter for the duration of the agreement or  
21 exemption without extension or renewal, and for a maximum of 10 years,

1 subject to the provisions of ~~subsection 5930b(f) of this title~~ 10 V.S.A.  
2 chapter 4, subchapter 2. A municipality's property tax liability under this  
3 chapter shall be reduced by any difference between the amount of the  
4 education property taxes collected on the subject property and the amount of  
5 education property taxes that would have been collected on such property if its  
6 fair market value were taxed at the equalized nonresidential rate for the tax  
7 year.

8 (c) Tax agreements not affecting the education property tax grand list.

9 A tax agreement shall not affect the education property tax grand list if it is:

10 \* \* \*

11 (3) A property tax stabilization agreement relating to commercial or  
12 industrial property entered into after July 1, 1997 by a municipality under  
13 24 V.S.A. § 2741, or a property tax exemption for purposes of economic  
14 development adopted by vote after July 1, 1997, which has not been approved  
15 by the Vermont Economic Progress Council to affect the education grand list  
16 under subsection (a)(2) of this section and ~~section 5930a of this title~~ 10 V.S.A.  
17 chapter 4, subchapter 2. In granting property tax stabilization agreements for  
18 commercial or industrial property under 24 V.S.A. § 2741, a municipality shall  
19 consider any applicable guidelines established for the approval of such  
20 stabilization agreements by the Vermont Economic Progress Council

1 established in ~~subsection 5930a(c) of this title~~ under 10 V.S.A. chapter 4,  
2 subchapter 2.

3 \* \* \*

4 Sec. 7. 32 V.S.A. § 5813 is amended to read:

5 § 5813. STATUTORY PURPOSES

6 \* \* \*

7 (u) ~~The statutory purpose of the Vermont employment growth incentive in~~  
8 ~~section 5930b of this title is to provide a cash incentive to encourage quality~~  
9 ~~job growth in Vermont. [Repealed.]~~

10 \* \* \*

11 Sec. 8. 32 V.S.A. § 5930ll(a)(1) is amended to read:

12 (1) "Full-time job" ~~has the same meaning as defined in subdivision~~  
13 ~~5930b(a)(9) of this title~~ means a permanent position filled by an employee who  
14 works at least 35 hours per week.

15 Sec. 9. 32 V.S.A. § 9741(39) is amended to read:

16 (39) Sales of building materials within any three consecutive years in  
17 excess of one million dollars in purchase value, ~~which may be reduced to~~  
18 ~~\$250,000.00 in purchase value upon approval of the Vermont Economic~~  
19 ~~Progress Council pursuant to section 5930a of this title,~~ used in the  
20 construction, renovation, or expansion of facilities which are used exclusively,

1       except for isolated or occasional uses, for the manufacture of tangible personal  
2       property for sale.

3       Sec. 10. EFFECTIVE DATE

4       This act shall take effect on July 1, 2017.